

U.S. Gulf envoy due in Moscow

UNITED NATIONS (R) — Lieutenant General Vernon Walters, who has been directed by the White House to rally support for a new Gulf peace bid at the United Nations, was to begin his mission in Moscow Tuesday night, aides said. They said Gen. Walters, the chief U.S. delegate, is scheduled to visit some time ago to discuss routine U.N. business with Soviet officials, but that the Gulf crisis now would take precedence. Gen. Walters' travel plans after Moscow were not disclosed. According to the White House, he will visit several capitals to canvass support for American diplomatic efforts through the United Nations to halt the Iran-Iraq war, now in its seventh year. White House spokesman Martin Fitzwater disclosed Gen. Walters' mission after announcing that President Reagan's plan to use U.S. forces to protect 11 Kuwaiti oil tankers in the Gulf would go into operation in mid-July (See story below). Before that happens, the United States plans yet another attempt to obtain a Gulf ceasefire through a Security Council resolution, with Secretary of State George Shultz leading the U.N. operation.

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U.N. chief sees Afghan solution

MOSCOW (AP) — U.N. Secretary-General Javier Perez de Cuellar said Tuesday that he and Mikhail S. Gorbachev agreed negotiations on a solution to the Afghan conflict might be concluded soon. Mr. Perez de Cuellar did not tell reporters at a news conference what made him and the Soviet leader optimistic, and other signals point to continuing delays in the talks. Nonetheless, the U.N. chief said: "Both the Soviet authorities, and specifically the general secretary (Mr. Gorbachev), and I felt that the Geneva process might be shortly concluded." The U.N.-sponsored negotiations on Afghanistan being held in the Swiss city recessed March 10, and U.N. mediator Diego Cordovez said then they probably would resume in late May. Later, he said the concerned parties were keeping in touch, but that no date was set for a resumption. Pakistani and Afghan negotiators have sporadically held indirect talks in Geneva through Mr. Cordovez about Afghanistan's political future and the presence of an estimated 115,000 Soviet troops there.

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Rocket lands in Galilee

TEL AVIV (R) — A Katyusha rocket fired by guerrillas in southern Lebanon hit the northern Galilee region but caused no injuries, military officials said. The rocket was apparently fired from Israel's self-declared "security zone" inside Lebanon, a border area patrolled by Israeli soldiers and their Lebanese supporters, the officials said. Israeli military censors prohibit journalists from publishing the precise locations of where the rockets fall for security reasons.

Israel Radio says Jews whipped in Iran

TEL AVIV (R) — Israel Radio said Tuesday that Iranian Revolutionary Guards arrested all 120 guests at a Jewish engagement party in Tehran last week and subsequently had them whipped. The radio, which gave no source for the report, said each of the arrested Jews was given 75 lashes after alcohol was found on the premises and that an undetermined number were in hospital as a result. The radio quoted its Iranian affairs specialist as saying that Iran's dwindling Jewish community of about 25,000 feared the incident might mark the start of a new anti-Jewish campaign.

Kahane not to get parliamentary salary

TEL AVIV (AP) — Parliament Speaker Shlomo Hillel has barred American-born right-wing legislator Meir Kahane from receiving a parliamentary salary because he refused to make a required oath of allegiance to the state of Israel, a spokesman said Tuesday. The action came in response to a supreme court decision Monday to reject an appeal by Kahane that he was unlawfully stripped of his parliamentary privileges for refusing to take the oath. The court's decision upheld Hillel's June 8 action barring Kahane from taking part in parliament sessions, voting or even entering the main auditorium where the sessions take place. The new action bars Kahane from receiving a monthly salary of \$2,220 is retroactive to June 8.

Israeli Communist Party team in China

PEKING (AP) — An Israeli Communist Party delegation has arrived in Peking, the Chinese Communist Party International Liaison Department said Tuesday. A department official said the delegation arrived Monday night. The delegation's visit is the first by the Israeli Communist Party to China in more than 25 years. The Israeli party's secretary-general, Meir Wilner, one of the two delegates, told reporters on leaving Tel Aviv last week that the visit was at the invitation of the Chinese party's central committee and he expected talks to focus on the concept of an international Middle East peace conference.

U.S. denies attack on embassy in Kuwait

WASHINGTON (R) — A propane gas bottle being unloaded from a truck exploded and set the vehicle on fire near the U.S. embassy in Kuwait on Tuesday, State Department spokesman Charles Redman said. He told Reuters the incident appeared to be the source of rumors that the embassy had been attacked.

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King Hussein confers with Iraqi leader

By a Jordan Times Staff Reporter with agency dispatches

HIS MAJESTY King Hussein and Iraqi President Saddam Hussein held talks in Baghdad on Tuesday on topics believed to centre on the latest developments in the Iran-Iraq war and Jordan's efforts to reconcile the Syrian and Iraqi leaderships.

The Jordan News Agency, Petra, said the King and President Hussein held two rounds of talks which began immediately after the monarch's arrival in the Iraqi capital Tuesday afternoon. The



His Majesty King Hussein with Iraqi President Saddam Hussein during a short working visit the King paid to Baghdad on Tuesday (Petra photo)

King was accompanied on the visit by Prime Minister Zaid Rifai, Royal Court Chief Marwan Al Qasem and Court Minister Adnan Abu Odeh.

According to Petra, the talks covered current Arab affairs and issues of concern to Jordan and Iraq as well as means to help restore Arab solidarity.

On the Iraqi side the talks were attended by First Deputy Prime Minister and member of the Re-

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West Bank mayors vow to fight Israel's water plan

OCCUPIED JERUSALEM (Agencies) — West Bank mayors held an emergency meeting late Monday to confront the most serious crisis in 20 years of occupation — Israeli plans to drill a well the mayors fear will rob Palestinian villages of water within the next decades.

The new well, to be drilled southeast of the city of Bethlehem, is expected to produce about 18 million cubic feet of water a year.

The Jerusalem Post quoted unidentified sources close to the project as saying plans called for only a small quantity of water to be made available to Palestinian communities in the occupied West Bank.

"We have never faced a more dangerous crisis," Bethlehem

Mayor Elias Freij told AP. "If the Israelis go ahead with the project, they could extract all the ground water within the next few years and the Arabs living (in the West Bank) will be practically without water."

Mr. Freij met Monday with the mayors of the nearby towns of Beit Sahur and Beit Jala and representatives of the Bethlehem Water Co. to discuss strategy.

Mr. Freij said Israeli authorities did not notify him or his colleagues of the project, and he first learned of it through media reports. He said the mayors would decide on further action to oppose the Israeli plan after contacting all officials involved.

Beit Sahur Mayor Hanna Al Atrash said if the new well was drilled, a Palestinian-run well in

the Bethlehem area would run dry within a decade.

He said the 100,000 residents in Bethlehem, Beit Sahur, Beit Jala and nearby villages already face a severe water shortage.

The existing well operated by the Bethlehem Water Co. produces only about 120 cubic feet per hour, a third of what people need for household use alone, Al Atrash said.

The water company buys the rest from its Israeli counterpart, Mekorot, but there is little money left for irrigation water, he said.

The Israeli defence ministry has approved the plan for the new well in principle, but the details need to be worked out by the Israeli occupation authorities in the West Bank, said the Israeli military official.

U.S. to go ahead with Gulf plan and intensify efforts to end war

WASHINGTON (Agencies) — The White House said its operation to put Kuwaiti tankers under the U.S. flag and protect them with American forces in the Gulf would go ahead by mid-July.

Presidential spokesman Martin Fitzwater also said the Reagan administration was launching a major diplomatic effort at the United Nations and worldwide to achieve a negotiated end to the Iran-Iraq war with "no victor and no vanquished."

"We are moving forward with preparations for the registration under U.S. flag of 11 Kuwaiti tankers.... we expect these arrangements to be in place by mid-July, at which time we plan to proceed," he said.

Emerging from a White House meeting with congressional leaders, Secretary of Defense Casper Weinberger said of the plan to register Kuwaiti tankers under the U.S. flag: "It is not a risk-free operation and it has not been presented as such. But the risks of not doing it, I think, are a lot

higher."

CIA Director William Webster reluctantly conceded to reporters that the reflagging operation probably would create "an increase in the threat" of violent reaction.

Mr. Webster said the CIA has been analysing possible Iranian reaction while the U.S. navy has been focusing on whether it could "take care of itself" in the event of repercussions in the Gulf.

Some Democrats in Congress have argued that the plan would involve the United States in the Iran-Iraq war and is likely to escalate the potential for terrorist attacks against the United States.

Senior Democrats who were called to the White House session were prepared to argue for postponing the plan, and legislation is pending in Congress calling for a lengthy delay.

Asked why Mr. Reagan had rejected requests Tuesday morning from congressmen to delay the operation, Mr. Shultz told reporters:

"Because it is a decision made in a proper way, a good decision, and I think we are proceeding both in terms of the diplomatic side of this, in the U.N. and in terms of support for our friends."

Fitzwater said America's U.N. envoy Vernon Walters would travel to unspecified world capitals for consultations on the U.S. effort for a ceasefire in the almost seven-year old Gulf war.

Fitzwater said that at a morning meeting between Mr. Reagan and a bipartisan congressional delegation led by Democratic Congressman Jim Wright, speaker of the House of Representatives, "it was agreed that the United States has vital interests in the Gulf, that we cannot permit a hostile power to establish a dominant position there."

Mr. Weinberger said that if the United States delayed its tanker protection plan, Kuwait would turn to the Soviet Union for help.

Secretary of State George

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Abdul Meguid meets senior PLO official

CAIRO (Agencies) — Egyptian Foreign Minister Esmat Abdul Meguid had talks on Tuesday with a senior Palestine Liberation Organisation (PLO) official, the first such meeting in two months.

A ministry spokesman said talks between Mr. Abdul Meguid and Hani Al Hassan, political adviser of PLO Chairman Yasser Arafat, covered Egyptian-PLO ties and prospects for an international Middle East peace conference.

Egyptian diplomat Osama Al Baz, asked about Mr. Hassan's current visit to Cairo, told Reuters in a telephone interview in Amman:

"We want to find out what the PLO's thinking about a (proposed) international Middle East peace conference is, and its views on future movement in it. We must have a coordinated position."

EC cash-row summit ends with Britain isolated

BRUSSELS (R) — Britain was left isolated at the end of a European Community (EC) summit Tuesday night, refusing to back proposals for long-term financial reforms agreed by its 11 EC partners, diplomats said.

They said the two-day meeting broke up after Prime Minister Margaret Thatcher insisted she would provide no more money for the community in future years until it had brought spending under control.

"The United Kingdom stood up for its views and in the last analysis, the other members decided to brush aside its views," one British official said.

All 12 heads of government had earlier agreed a package of measures to solve the community's most pressing cash problems, staving off a threat of bankruptcy later this year.

West German Chancellor Helmut Kohl confirmed to reporters that Britain had blocked a docu-

ment aiming to raise more money for the community and give more to its poorer countries, while bringing bloated farm spending under control.

But he described a deal between Germany and France, which unblocked talks on this year's farm prices as a triumph for the two countries (See page 7).

The failure to secure unanimous agreement on a set of summing conclusions threw into the open a row which simmered throughout the meeting, a two-year event designed as a showcase for EC unity and cooperation.

Diplomats said Mrs. Thatcher's uncompromising stance infuriated other delegations and prompted Jacques Delors, president of the EC's Executive Commission, to threaten to resign at one stage of the heated debate.

"It's Mrs. Thatcher against the universe," an Irish spokesman said of her summit performance.

volutionary Command Council Taha Yassin Ramadan, Foreign Minister Tariq Aziz and Information Minister Latif Jassem.

The second round of talks, after a luncheon hosted by President Hussein in honour of the King and the accompanying delegation, concentrated on the latest developments in the Iran-Iraq war and the situation along

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Iranian gunboats rocket Kuwaiti freighter

BAHRAIN (Agencies) — Iranian gunboats launched their third attack in as many days on Kuwaiti-linked ships on Tuesday.

Regional shipping sources said the 32,534-tonne Kuwaiti-owned container ship Al Mirkab was hit by rockets which started an engine room blaze.

No injuries were reported and the vessel was proceeding under its own power to Bahrain with only minor damage, according to reports from the owners and from maritime salvage executives.

The gunboat, apparently based at the Iranian island of Farsiyah, fired once from a multiple-rocket launcher and the missile hit and set ablaze the crew's quarters, the executives said.

The Kuwait-based United Arab Shipping Co., which owns the bulk carrier, said the gunboat rocketed the vessel at 2:15 a.m. (2315 GMT).

It did not say what type of cargo was aboard the ship, but said the Al Mirkab was on a regular course from the Kuwaiti port of Shuaiba en route to Bahrain, Dubai and Far East ports.

The attack was off Saudi Arabia in an area where similar gunboats — Swedish-built fast launches — hit two supertankers in separate raids last Saturday.

The attacks on Norway's Mja Margrethe and the Liberian-flag Stena Concordia, which injured a total of seven crewmen, ended a five-week lull in Iran's raids on Gulf shipping.

The fresh attacks, in retaliation for two Iraqi raids on Iranian-linked tankers, have fuelled fears in Washington over U.S. plans to reflag some Kuwaiti tankers and boost its naval presence in the region.

In Geneva, Iranian Deputy Foreign Minister Javad Larjani told a news conference the U.S. military build-up in the Gulf could lead to a full-scale conflict in the region.

"The recent military build-up by the United States is a very dangerous course. Who knows who will fire the first shot," he said.

Reagan administration officials say plans to place 11 of Kuwait's 22 tankers under the American flag, to allow them U.S. naval protection, are intended purely as a deterrent.

In Geneva, Mr. Larjani said he met Monday with Soviet Deputy Foreign Minister Yuli Vorontsov to discuss the Gulf war and the "recent very volatile situation" in the Gulf.

The two officials met in Geneva to further discuss "new dimensions" in Iranian-Soviet relations, Mr. Larjani said. He declined to elaborate.

Tehran has stepped up attacks on shipping associated with Kuwait this year in retaliation for Kuwait's support for Baghdad in the nearly seven-year-old Iran-Iraq war.

Crown Prince Hassan reaffirms Jordan's commitment to peace

AMMAN (J.T.) — His Royal Highness Crown Prince Hassan on Tuesday reaffirmed Jordan's commitment to a negotiated peace settlement to the Arab-Israeli conflict and deplored the ongoing squabble in Israel over the proposed international peace conference in the Middle East.

Prince Hassan, in an address at the Royal College of Defence Studies in London, also criticised the U.S. for not supporting trends in Israel for peace with the Arabs and rejected Secretary of State George Shultz's assertion that "the name of the game is direct negotiations."

"Surely, the name of the game is building a lasting peace, however it is obtained, by direct negotiations or otherwise," Prince Hassan said.

"Direct negotiations provide no panacea as Mr. Shultz knows. Lebanon negotiated directly with Israel and the result was a debacle."

The Crown Prince's reference was to the Shultz-brokered May 17, 1985 accord Lebanese President Amin Gemayel signed with Israel for an Israeli withdrawal from occupied Lebanese territories. The president had to abro-



Crown Prince Hassan of Jordan

gate the agreement against political and military pressure from within the country and Syria.

In his London speech, Prince Hassan briefly outlined various aspects of the current deadlock in efforts for Arab-Israeli peace and reaffirmed Jordan's stand that U.N. Security Council Resolutions 242 and 338 offered the best framework for a solution to the 40-year-old conflict.

"Despite the multiplicity of conflicts, or should I say because of them, Jordan's belief in the desirability of a just and durable peace has remained unshaken," said the Crown Prince. "Our commitment is total and absolute."

Following are major excerpts from the Crown Prince's address:

The search for a peaceful settlement of the Arab-Israeli conflict has been arduous and is long overdue. The Middle East is one of the most important regions in the world in terms of its geo-strategic location and its natural resources. The region has been engaged in an almost futile and self-destructive frenzy of violence and wars for many generations with an evident inability to secure justice for all its peoples and security for all its states. Four decades ago we had to contend with the Palestine question and the Arab-Israeli conflict. Today the tragic and senseless slaughter that has been going on for several years in the Gulf and in Lebanon makes peace an imperative but not only for the combatants but

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Waldheim begins 4-day state visit to Jordan today

By a Jordan Times Staff Reporter

AMMAN — Austrian President Kurt Waldheim arrives in Jordan today on his second visit abroad since his election to the top office a year ago. During his four-day stay, Dr. Waldheim is scheduled to hold talks with His Majesty King Hussein and other Jordanian leaders on the latest efforts towards achieving peace in the Middle East.

The visit by Dr. Waldheim and his wife Elisabeth comes at the invitation of the King who was the first leader to visit Dr. Waldheim in Vienna after his election last year. The Austrian leader's visit here follows a meeting with Pope John Paul last week which broke his year-long self-imposed moratorium on visits abroad.

Austria built close ties with Arab World under Chancellor Bruno Kreisky between 1970 and 1983. Many Arabs regard Dr. Waldheim highly for his even-handed approach to the Arab-Israeli conflict during his two terms as United Nations secretary-general from 1972 to 1982.

Dr. Waldheim is under fire for his World War II service with the German army in the Balkans. He has denied allegations by Jewish groups that he was involved in war crimes.

In April, the United States placed the Austrian leader on its "watch list" of undesirable aliens because of suspicion over his wartime record. Responding defiantly on Monday to a call by the Vienna section of the Socialist Party that he should resign, Dr. Waldheim pledged to serve his

full term of office. "Recent renewed slanders and insults made at home and abroad are rejected in the sharpest possible terms," he said.

Dr. Waldheim, who will be accompanied by Foreign Minister Alois Mock within a 20-member delegation, is due to have two rounds of talks with the King. He will also tour the ancient cities of Jerash and Petra and visit the Arab Potash Company plant built by Austria's Voest Alpine company.

In a two-hour interview in Vienna with Jordanian newspapers last week, Dr. Waldheim said: "I am looking forward very much to our talks with His Majesty and the government of Jordan, to discuss, first, direct issues of

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Turkish court annuls conviction of Ammarin

ANKARA (R) — A Turkish military court has annulled the conviction of a Jordanian embassy official on a charge of spying, legal sources said Tuesday.

They said the court recently found the case not proved and it will automatically be reheard. Adnan Musa Suleiman Ammarin was sentenced to 15 years in jail in March on a charge of spying for Syria in a case that diplomats said was filled with loopholes.

It caused friction in Turkey's ties with Jordan, which said that Mr. Ammarin was innocent and should have been exempt from prosecution on the ground of diplomatic immunity.

Mr. Ammarin is also on trial for his alleged part in the 1985 killing of Jordanian Embassy First Secretary Ziad Al Sati in

Amman.

Jordanian Ambassador Hani Tabbara has protested to the Turkish Foreign Ministry about both trials. The issue was expected to be raised during His Majesty King Hussein's visit to Ankara last weekend, but there was no confirmation of this.

The sources also said the retrial will begin on July 14 of two Libyans alleged to have tried to blow up the American military officers club in Ankara in April 1986.

The appeal court last October ordered the rehearing after taking the view that Ali Al Ejefi Ramadan and Rajab Mahtar Rohoma Tarbuni were wrongly acquitted of forming an armed gang. They got five years in jail on the lesser charge of possessing explosives.

Benjedid takes cautious approach to Libyan call

ALGIERS (R) — Algerian President Chadli Benjedid on Tuesday advocated a cautious approach to regional unity in contrast to visiting Libyan leader Muammar Qadhafi's call for a federation between the two countries.

Colonel Qadhafi, an enthusiast for political union among Arab states, told the Algerian parliament on Monday the time was ripe for an Algerian-Libyan federation and said Libya would let Algeria draw up the charter.

But in a major political speech reported by the official news agency APS, Mr. Benjedid said North African unity would be achieved "above all by the harmonisation of our action in the economic, social, cultural and educational domains."

He recalled that Algeria had earlier proposed a Maghreb legislature of all countries in the region.

Western diplomats said Mr. Benjedid's speech and the low-key treatment Col. Qadhafi's visit has been getting in the official news media confirmed that Algeria was treating the Libyan unity proposals with great caution.

Government officials in Algeria say privately that while Algeria is committed to the ideal of Arab unity it feels political union in the Maghreb should be preceded by concrete economic integration.

Western diplomats said Algeria might at some stage invite Libya to join a pact signed in 1983 by Algeria and two other North African states — Tunisia and Mauritania.

This loose arrangement, known as the Treaty of Fraternity and Concord, is widely seen as a first major step towards the much-talked-of unity of the Maghreb.

W. Germany prepares to try Hamadei

BONN (Agencies) — West Germany has tightened security at borders and airports to guard against possible extremist attacks following a government decision to try a Lebanese hijack suspect for murder, the Interior Ministry said Tuesday.

Chancellor Helmut Kohl rejected last week a U.S. request for the extradition of Mohammad Ali Hamadei, saying West Germany would try him for air piracy and murder in connection with the 1985 hijacking of a Trans World Airlines (TWA) flight to Beirut, during which an American serviceman was killed.

"The Interior Ministry has undertaken all necessary measures to stave off a terrorist threat in this context," the ministry spokesman said, referring to increased security at airports, borders and on flights to West Germany.

He declined to comment on a report on Tuesday by Stern magazine saying the federal criminal office had warned the government that a six-man guerrilla commando had left Lebanon after West Germany's decision to try Mr. Hamadei.

Last week, a senior government official said the decision to try Mr. Hamadei, 22, in West Germany could lead to attacks by Middle Eastern groups or West German leftist extremists.

Mr. Hamadei's release is demanded by the Shi'ite group Hizbollah, believed to be holding two West German businessmen kidnapped in Beirut last January within a week of his arrest.

The Stern report said the commando was led by one of Mr. Hamadei's friends, "an expert in the manufacture of car bombs" who was also involved in the hijack of the TWA flight.

Two American hostages reportedly smuggled to Iran via Syria, Turkey

BEIRUT (Agencies) — Iranian Revolutionary Guards have smuggled two American hostages from Lebanon to Iran through Syria and Turkey, a Shi'ite Muslim source said Tuesday.

The source, speaking on condition of anonymity, said the transfer of the hostages led Syria to restrict travel by Revolutionary Guards across the Lebanese-Syrian border.

The source, who has been reliable in the past, told the Associated Press that the two American captives were "probably Terry Anderson and Thomas Sutherland."

Anderson, 39, the Beirut-based chief Middle East correspondent for the AP, was kidnapped in mainly Muslim west Beirut on March 16, 1985.

Sutherland, 55, of Fort Collins, Colorado, acting dean of agriculture at AUB, was kidnapped on June 9, 1985, in west Beirut.

Islamic Jihad, a group of radical Shi'ite extremists loyal to Iran's Ayatollah Ruhollah Khomeini, has claimed it holds both Anderson and Sutherland.

The reported transfer, the source said, took place late in May. The two were first taken from Lebanon to the Iranian embassy in Damascus, the Syrian capital, "in coffins as Revolutionary Guards martyrs killed in action against Israel."

The coffins were driven from east Lebanon's Bekaa Valley to Damascus in a Revolutionary Guards jeep through a military road that crosses the Lebanese-Syrian border, the source said.

"An Iranian embassy car which has a diplomatic license plate transported them from Damas-

guards initially came to Lebanon in 1982 to take part in the Jihad, or holy war, against Israel's invading army.

They have since established bases in east Lebanon and the Shi'ite slums of south Beirut and built the fundamentalist Hezbollah, or Party of God, alliance of Iranian-backed militias.

The Hezbollah umbrella, according to Lebanese and Arab security sources, includes fanatic Iraqi deportees of the Daawa Party, Iranian Revolutionary Guards and the Lebanese wing of Daawa, which was founded in the late 1960s by Sheikh Mohammed Hussein Fadlallah.

Fadlallah is the reputed spiritual guide of Hezbollah. However, he is not influential with the Iranian and Iraqi factions of the alliance, the sources say.

The Syrian government of President Hafez Assad is the main power broker in Lebanon. It maintains 25,000 troops in the Bekaa and northern territories under a 1976 peacekeeping mandate from the 21-nation Arab League.

Syria also has 7,500 troops deployed in west Beirut since Feb. 22. Syrian soldiers and security agents control Beirut International Airport, which is surrounded by densely populated Shi'ite slums that are traditional strongholds of Iranian-backed factions.

The restrictions on Shi'ite fundamentalists also followed the June 17 kidnapping of American journalist Charles Glass in Beirut's southern suburb of Ouzai, a traditional Hezbollah stronghold.

The Syrian command in Leba-

non also cancelled the Iranians' firearms permits as part of a campaign to pressure Iranian-backed militants to release Glass, whose abduction marked a serious challenge to Mr. Assad's government.

Glass became the ninth American missing in Lebanon since 1985.

The Hezbollah militia Monday criticised Lebanese leaders who condemned the kidnapping of foreigners.

Hezbollah (Party of God) spokesman Ibrahim Al Amin, speaking at an Islamic conference in west Beirut, implicitly called for kidnappers to be supported in an "open battle" with the West.

"If we take the statements of leaders who condemn kidnapping, we find they are more numerous than their statements against Israeli crimes," Amin said.

Some Shi'ite Muslim leaders, including Fadlallah, have said the kidnapping of innocent foreigners was contrary to Islamic Law and morality.

Amin said Iranian leader Ayatollah Ruhollah Khomeini had never ruled against the militants who held 52 Americans from the U.S. embassy in Tehran as hostage in 1979-1981.

"We are following the rule that Israel should be removed from existence. It is open battle with Israel and imperialist countries. Our people have the right to face America, France and Israel as they see fit," he added.

"They (our people) might commit mistakes, but it is our duty to support, strengthen and preserve them in confronting Israel," Amin said.

Israel optimistic over ties with Soviets

OCCUPIED JERUSALEM — Israel appears convinced that at least low-level diplomatic relations with the Soviet Union are on the way to being restored.

In the strongest indication of this view to date, a senior Foreign Ministry official said late last week that he expects some members of a soon-to-arrive Soviet consular team to stay indefinitely.

"This is a way for the Soviets to install themselves here under the initial pretext of attending to consular matters," said the Israeli official, who spoke on condition that he not be named. "They are not normalising relations between Israel and Soviet Union, but they are creating a nucleus of a presence."

The Soviet Union broke diplomatic relations with Israel during the 1967 Arab-Israeli war. It maintains close relations with Syria and the Palestine Liberation Organisation (PLO).

When he was still prime minister, Foreign Minister Shimon Peres named the restoration of full diplomatic ties with Israel and the issuing of exit visas to thousands of Soviet Jews as the conditions for Soviet participation in a Middle East peace conference.

Privately, many Israeli officials who would like to see a resumption of Israeli-Soviet ties view Mr. Peres's issuing of conditions as a mistake; the Soviets saw them as an insult.

One of many hurdles in the way of convening a Mideast conference is finding a graceful way around the conditions laid down by Israel and accepted by the U.S., these officials say — Christian Science Monitor.

U.S. preparing final details of plan to allow Egypt to build battle tank

WASHINGTON (AP) — The government is negotiating final details of a plan to allow Egypt to assemble U.S.-made components of the American M1-A1 main battle tank in the Middle Eastern country, officials have said.

"We have decided in principle to assist Egypt in some form of co-production of the M1-A1 tank but the modality and details have not yet been decided," said State Department spokesman Charles Redman.

The administration of President Ronald Reagan has not yet notified Congress of the decision, said one Pentagon source, because "we want to get everything worked out before we go up to Capitol Hill and start answering questions."

The plan was already raising questions in Congress, where the chairman of the House of Representatives Foreign Affairs Subcommittee on Europe and the Middle East said he would try to

block any attempt to manufacture, rather than merely assemble, the tank in Egypt.

"We have the responsibility of preventing a serious mistake from being made," said Representative Tom Lantos, chairman of the subcommittee.

"It would reduce our ability to export, and it could lead to the transfer of sensitive technology," he said.

Mr. Lantos said he had "an open mind on the question," however, and described Egypt as "a good friend" and Egyptian President Hosni Mubarak as "a force for stability in the Middle East."

Mr. Redman sought to forestall possible opposition to the plan, telling a briefing that "sensitive technologies will be protected and will not be manufactured in Egypt."

Sources familiar with the plan said that it avoided the problems cited by Mr. Lantos by having nearly all the parts manufactured

in the United States and shipped to Egypt for assembly.

The assembly would start as many as 10 years down the road at a plant now being built in Egypt to repair and maintain, starting in 1990, the U.S.-made M-60. General Dynamics is the main contractor for the M1-A1 and the M-60, and is supplying the machinery for the repair plant.

The Reagan administration has granted a munitions license for co-production of the M1-A1 in the context of the M-60 tank rebuilding facility now under construction in Egypt, Mr. Redman told reporters.

The Egyptian defense minister, Abdul Halim Abu Ghazala, has been pushing for more than a year for permission to either build or assemble the M1-A1 in Egypt, said State and Defense Department officials.

Sen. Nunn attacks Reagan Gulf policy

WASHINGTON (R) — A key U.S. senator has launched another congressional salvo at the Reagan administration's plan to reflag II Kuwaiti vessels, warning of a possible U.S.-Iranian confrontation in the Gulf that could turn violent.

"In proposing the ship protection regime, the administration believed that it could assist and reassure Kuwait without becoming involved in larger regional struggles," Senator Sam Nunn, chairman of the Senate Armed Services Committee, said in a report.

"This assessment was, however, exceedingly optimistic if not unrealistic," the Georgia Democrat said. "The administration's plan poses substantial risks of a U.S.-Iranian confrontation which could escalate violently and unpredictably."

Kuwait has supported Iraq in its nearly seven-year war with Iran. The United States has professed neutrality in the Gulf war but many legislators fear the

move to protect Kuwait shipping will be seen as a tilt towards Iraq.

An Iranian defence official was quoted Monday by Tehran Radio as telling a visiting Nicaraguan delegation Sunday: "At the moment the United States is moving towards the brink of an armed encounter with us."

Sen. Nunn's report was issued Monday, one day before congressional leaders, including Rep. Jim Wright, speaker of the House of Representatives, were to discuss the issue in a White House meeting with President Reagan.

Mr. Wright, a Texas Democrat, told reporters the administration had gone ahead with plans to reflag the Kuwaiti tankers as U.S. ships without asking congressional leaders for their advice.

Sen. Nunn, the Senate's chief spokesman on military affairs, repeated a call by many other legislators to delay the reflagging, due to begin early next month, until what he called a more reasoned policy could be worked

out in consultation with the Congress.

He urged the administration to forcefully pursue its initiative in the United Nations Security Council to bring an end to the Iran-Iraq war and made the following new proposals:

— The United States should initiate talks with the Soviet Union, China, Britain and France on curtailing arms transfers to Iran.

— The United States should initiate a conference of the Gulf's major oil exporters and importers under the auspices of an international organization such as the Paris-based Organisation for Economic Co-operation and Development (OECD). The agenda would seek to ensure the free flow of oil through the Gulf, search for a negotiated end to the Gulf war and promote freedom of navigation in the Gulf.

— The United States should explore alternative arrangements with Kuwait, including the lease of American vessels.

U.S. confirms Syrian action against Abu Nidal prompted Reagan bid

WASHINGTON (Agencies) — The United States has confirmed Syria had closed the Damascus offices of Abu Nidal and said this was one reason President Reagan decided to seek improved relations with President Hafez Al Assad.

"There has been some indication of a change in Syrian attitude toward its use of terrorism," State Department spokesman Charles Redman told reporters Monday.

"The Abu Nidal organisation offices in Damascus have been closed," he said.

The United States has called the Abu Nidal faction "the most active and brutal international terrorist group operating today" and accused it of attacking the Rome and Vienna airports on Dec. 27, 1985.

Redman and White House spokesman Marlin Fitzwater last Friday acknowledged Mr. Reagan had sent a letter to Mr. Assad seeking new high-level talks and that Mr. Assad's response was "generally positive."

But they refused to specify what changes in behaviour prompted Mr. Reagan's letter.

Peres's popularity drops

TEL AVIV (AP) — An opinion survey published Tuesday showed a sharp drop in the popularity of Foreign Minister Shimon Peres and increased support for Prime Minister Yitzhak Shamir.

The poll in Haaretz newspaper offered no reason for its findings, but the results came while Peres was under growing public criticism after failing to win cabinet support for a proposed international conference on Middle East peace.

A Syrian-born American also was kidnapped in June 1986, but no group has claimed responsibility.

The United States has had no ambassador in Damascus since last October when William Eagleton was recalled to "express outrage" over Syria's alleged complicity with Nizar Hindawi, convicted in Britain of allegedly attempting to bomb an El Al airplane.

As part of his overture to Syria, Mr. Reagan offered to send a high-level envoy for talks. Redman refused to say who the envoy might be or when the talks might be held.

There have been news reports that the envoy will be veteran diplomat Vernon Walters.

Managua team ends Iran visit

NICOSIA, Cyprus (AP) — Iran's parliament speaker said Tuesday that both his nation and Nicaragua were in conflict with the United States and "world-devouring U.S. imperialism."

Speaker Hashemi Rafsanjani, who made the comments at the end of a visit to Iran by his Nicaraguan counterpart Carlos Nunez Tellez, also said Tehran and Managua agreed to expand bilateral cooperation.

"A common point that currently exists between the two revolutions is the conflict with the United States," Mr. Rafsanjani was quoted as saying by Tehran Radio, monitored by the British Broadcasting Corp. (BBC).

The official Islamic Republic News Agency (IRNA), monitored in Nicosia, said Mr. Nunez Tellez described the talks as "satisfactory" before leaving Tehran on Monday night.

Mr. Rafsanjani was quoted as saying the United States has intervened "very blatantly" in the Nicaraguan revolution through its aid to the contra rebels fighting the central government.

Israeli report criticises Lavi project

TEL AVIV (R) — An official report sharply criticised government management of Israel's home-developed Lavi warplane project Tuesday and said it would strain the economy if continued.

The release of the report by Israel's independent state comptroller coincided with a visit to Washington by Defence Minister Yitzhak Rabin who will discuss the plane's future with American officials who have tried to persuade Israel to scrap the project.

The United States says Israel cannot afford the Lavi — Hebrew for lion — and would do better to buy American F-16 fighters or co-produce a U.S. plane.

The report said that at most every stage since the project's inception in 1980 vital decisions were taken "without studying questions of finance, manufacture, export potential and possible alternatives."

U.S. thanks Bahrain for help in Stark rescue

MANAMA, Bahrain (AP) — The USS Stark on Tuesday presented the ruler of Bahrain with a plaque, thanking him for his help after the May 17 Iraqi missile attack.

The presentation was described as one of the last-minute duties in Bahrain for skipper Cmdr. John B. Noll before taking home the repaired warship, due to reach Mayport, Florida, on Aug. 5.

The "Stark" moved out of Bahrain Port early Sunday and anchored just off the island state.

U.S. navy spokesman Lt. Cmdr. Steve Houda said the actual start of the homeward journey would be announced only after the Stark had steamed away.

The meeting with the ruler, Sheikh Isa bin Salman Al Khalifa, was attended by U.S. Ambassador Sam Zuckerman.

The plaque, an 8-by-10-inch (20-by-30-centimetre) wooden board with inlaid bronze inscriptions, featured the emblem of the Stark and words of appreciation. The text of the inscription was not made available.

Later he was involved in negotiating the release of Israelis captured in Lebanon in exchange for Palestinians and Lebanese held in Israel.

Born in Jerusalem in 1923, Tamir was a commander in Menachem Begin's Irgun terrorist movement that fought in pre-1948 Palestine. He was arrested and deported to Kenya by the British.

His original family name was Katznelson, but he adopted his Irgun non-de-guerre name after Israel became independent.

A founder member of Begin's Herut Party, he later moved to small central parties.

A lawyer by profession, Tamir became justice minister in 1980. He held until he resigned in 1980.

Former Israeli justice minister dies at 64

HERZLIYA, Israel (R) — Shmuel Tamir, who as justice minister from 1977 to 1980 was involved in drafting an Israeli-Egyptian peace treaty, has died aged 64, Israel's state radio said.

Tamir is credited with having worked out a key clause guaranteeing Israeli oil supplies from the Sinai peninsula which broke a deadlock in March 1979, enabling the treaty to be signed.

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TV & RADIO

JORDAN TELEVISION	22:00	Evening Show Continued
14:00	14:10	News Summary
14:10	14:20	News Summary
14:20	14:30	News Headlines
14:30	14:40	Close Down
PROGRAMME ONE		
14:40	14:50	Arabic series
14:50	15:00	Arabic series
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PROGRAMME TWO		
17:00	17:10	French programme
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& partly on 850 KHz, SW		
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21:50	22:00	Newsdesk

WHAT'S GOING ON

TODAY'S EVENTS

EXHIBITIONS

An art exhibition by Ouzar Boreal at the Housing Bank Cultural Centre's gallery (until July 15).

A Fine Arts exhibition by Abdullah Mansour at the Royal Cultural Centre (until July 3)

FRENCH MUSIC

"Posters on French song and non-stop video concerts at the French Cultural Centre (until July 1).

CULTURAL CENTRES

Royal Cultural Centre .. Tel. 661025/7
American Centre .. 644371
American Centre Library .. 641520
Interfaith Council .. 636147/8
French Cultural Centre .. 637009
Goethe Institute .. 641993
Soviet Cultural Centre .. 644623
Persian Cultural Centre .. 620449
Turkish Cultural Centre .. 639777
Arts Arts Centre .. 665195
Jussieu Youth City .. 667181/6
W.W. M.C.A. .. 659251
American Municipal Library .. 637111
Univ. of Jordan Library .. 343555

MUSEUMS

Children's Heritage and Science Museum: "Fun and knowledge for all ages" (functioning at the Jussieu Arts Centre. Open all week 9 a.m. - 1:00 p.m. and 3:30 p.m. - 6:00 p.m. Closed on Friday.

Oldtime Moroccan Jewelry and costumes over 100 years old. Also musical instruments. Located at Jussieu Arts Centre. Open all week 9 a.m. - 1:00 p.m. and 3:30 p.m. - 6:00 p.m. Closed on Friday.

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Archaeological Museum: Has a excellent collection of the antiquities of Jordan. Jabal Amman Cultural Centre (Hill). Opening hours: 9 a.m. - 5:00 p.m. (Fridays and official holidays 10.00 a.m. in 4.00 p.m.) Closed Tuesdays.

National Gallery: Contains a collection of paintings, ceramics, and sculptures by contemporary Islamic artists from most of the Muslim countries and a collection of paintings by 19th Century orientalist artists. Western. Jabal Lweideh. Opening hours: 10.00 a.m. - 1.30 p.m. and 3.00 p.m. - 6.00 p.m. Closed Tuesdays. Tel. 650128.

Museums' Memorial (Military Museum): Collection of military memorabilia dating from the Arab Revolt of 1916. Sports City. Amman. Opening hours 9.00 a.m.-4.00 p.m. Closed Saturdays. Tel. 664240.

SERVICE CLUBS

Lease Amman Club. Meetings every third Wednesday at the Holiday Inn, 1:30 p.m.

Lease Philadelphia Club. Meetings every second and fourth Wednesday at the Amman Hotel, 7:30 p.m.

Philadelphia Rotary Club. Meetings every Wednesday at the Holiday Inn, 1:30 p.m.

Rotary Club. Meetings every Tuesday at the Intercontinental Hotel, 2:00 p.m.

Royal Automobile Club. Jabal Amman. Eighth Circle. Tel. 816534, 817334.

CHURCHES

St. Joseph Church (Roman Catholic) Jabal Amman. Tel. 624590.

Church of the Annunciation (Roman Catholic) Jabal Lweideh. Tel. 677440.

De la Saite Church (Roman Catholic) Jabal Hussein. Tel. 661577.

Terrassas Church (Roman Catholic), Jabal Lweideh, mass in Italian language, every first Saturday at 5:30 p.m. Tel. 627236.

Church of the Assumption (Greek Orthodox) Abdali. Tel. 623341.

Anglican Church (Church of the Redeemer) Jabal Amman. Tel. 625383.

Armenian Catholic Church Ashrafieh. Tel. 717131.

Armenian Orthodox Church Ashrafieh. Tel. 775261.

St. Ephraim Church (Syrian Orthodox) Ashrafieh. Tel. 775751.

Armenian Interdenominational Church (Interdenominational): meets at Southern Baptist School in Shmeisani, Tel. 67534.

Evangelical Lutheran Church Jabal Amman, 6th Circle, (Rev. N. Smir), Tel. 812195.

King confers medals on retiring ambassadors

AMMAN (Petra) — His Majesty King Hussein has conferred medals on a number of retiring ambassadors at the Foreign Ministry in recognition of their long service.

The ambassadors, who have been serving in Jordan for many years, received their medals from the Foreign Minister Taher Al Matar at a special ceremony held at the Ministry on Tuesday.

The recipients of the medals were: Mr. Amer Hamarneh, Ambassador of the Second Order, Mr. Majed Al Haj Hussein, Independence Medal of the First Order, Dr. Mohammad Ali Farra, Independence Medal of the First Order, Mr. Mohammad Ali Khourma, Independence Medal of the First Order.

The minister presented Mr. Kamal Hmoud with a token gift because he already had been awarded honorary medals.

In a speech at the ceremony held at the Guest Palace, the minister voiced appreciation for the ambassadors' long service. The ceremony was attended by heads of diplomatic mission and a number of officials.

Saudi minister arrives for talks on agriculture

AMMAN (Petra) — Saudi Arabia's Minister of Agriculture and Water Resources Abdul Rahman Ibn Abdul Aziz Al Al Sheikh arrived in Amman Tuesday on a three-day visit to Jordan. He held talks with Mr. Marwan Hmoud, minister of agriculture, on cooperation between Jordan and Saudi Arabia in agricultural affairs.

In a statement upon arrival, Dr. Al Al Sheikh said his visit was aimed at further bolstering Jordanian-Saudi Arabian economic and agricultural cooperation.

Agricultural cooperation between Jordan and Saudi Arabia in the form of exchange of expertise and information and Jordanian experts' participation in implementing Saudi agricultural schemes has so far been very successful, according to Dr. Al Al Sheikh.

The minister, who is accompanied on the visit by a delegation of officials and specialists in agriculture, fisheries and farm management, was greeted upon arrival by Mr. Hmoud and senior

Abdul Rahman Ibn Abdul Aziz Al Sheikh, officials from the Ministry of Agriculture.

Jordan is expected to import some 100,000 tonnes of Saudi wheat this year, up from 35,000 tonnes in 1986, according to Reuters news agency.

Jordanian agricultural exports to Saudi Arabia were worth JD 11.37 million (about \$34 million) last year, and included 109,500 tonnes of fresh vegetables, 43,000 tonnes of citrus fruits and 90,500 head of sheep.

Romania to buy phosphate to lessen trade imbalance

AMMAN (J.T.) — Jordan is to sell Romania 700,000 tonnes of raw phosphate in a bid to adjust the balance of trade between the two countries which at present favours Romania, Minister of Planning Taher Kanaan announced Tuesday.

The minister, who headed Jordan's delegation to the meetings of the Joint Jordanian-Romanian Economic Committee, said that the meetings, which ended Monday, focused attention on launching joint projects in electricity and energy and on trade exchange.

The two sides discussed joint endeavours for exploring for oil in Jordan and also signed a protocol for organising bilateral cooperation in a number of other fields.

The talks, which started on June 23, covered efforts to expand the work of the Jordan Petroleum Refinery Company in Zarqa, and to help Jordan promote its mining industry and exploit oil shale, found in abundance in the Lejjun areas of the Kingdom.

Jordan has huge phosphate and oil shale deposits, but the latter remain untapped because of the high oil extraction cost.

Jordan imports all its oil from Kuwait, Saudi Arabia and Iraq. Recently, exploration rights have been awarded to U.S. and Canadian firms to supplement the Romanian exploration efforts in the Kingdom.

Dr. Kanaan was accompanied on the visit to Romania by representatives of the ministries of industry and trade, and of planning, the Jordan Phosphate Mines Company, the Arab Potash Company, the Jordan Electricity Authority and the Natural Resources Authority.

Prince Hassan reaffirms Jordan's commitment to peace

(Continued from page 1)

for the whole world. Despite our apparently uncaring attitude we realise that these conflicts and many others in the region, broadly defined, may provide the flash point that could lead to a dreaded nuclear winter. Regional instability generates greater polarisation between the superpowers and leads to their direct involvement thus compounding the all too familiar proxy wars.

Jordan's position has been made clear repeatedly. We have firmly supported all peace initiatives to resolve the Palestine question and the Arab-Israeli conflict.

We intend to persist in our peaceful offensive until such time as all the parties concerned come to their senses and agree that peace is a far better option than perpetual conflict, terror and war.

The opportunities missed on all sides are numerous. The peace process, from the outset, has been bedevilled by inconsistency and intolerance, inherent contradictions which have brought it to a halt. The basic principle enshrined in U.N. Resolution 242 offers a sound and practical method for the resolution of the Arab-Israeli conflict. Stripped to its bare bone it offers the exchange of peace for territory which has been the essential element of all the initiatives and the proposals emanated thus far. We held deep misgivings about the Camp David accords, mainly because they shunted the Palestine question aside in order to resolve the Egypt-Israel territorial dispute. Yet the fundamental principle of a quid pro quo arrangement was strictly adhered to at Camp David with the conclusion of the peace treaty between Egypt and Israel.

In my perception a peace conference is the only vehicle that would give international legitimacy to the peace process itself, and

more significantly to the basic guarantees and safeguards required by the contracting parties. The promotion of this concept of the procedural framework for peace making in the Middle East has achieved a marked degree of success throughout the world and to a great extent in Israel. The world community of nations has reacted positively. A number of states, especially in Europe, are engaged in efforts to elaborate its modalities and some have made constructive suggestions.

The problems that remain are not so much of Arab disarray or Palestinian representation or superpower consensus. The desirability of a negotiated settlement is clear to all but the radical right in Israel. Differences on procedures are aggravated by the all too clever quest for territorial and economic expansion on the part of Israeli strategists. Moreover, the difference on the procedural framework between the two superpowers is not directly related to the conflict in the Middle East as such; it has more to do with questions of power politics in the world, nuclear disarmament, the strategic defence initiative and the like. This polarisation between the two superpowers in other fields is echoed and mirrored on the local and regional levels, adding to the complications.

An examination of the current perspectives on peace within the Israeli body politic would indicate the following trends:

1. A trend represented by (Israeli Foreign Minister Shimon) Peres and factions of the Labour Party he leads who are committed to peace negotiations but are unable to make substantial progress or undertake bold moves that would break down the log jam of current Israeli politics.

2. A second trend represented by (Israeli Prime Minister Yitzhak) Shamir and a large segment of the Likud alliance he leads, whose commitment is against a

Queen graduates class of gifted students

By Najwa Najjar
Jordan Times Staff Reporter

SALT — The innovative Parallel Education Project established by the Salt Development Corporation (SDC) for gifted students Tuesday held its first graduation ceremony.

Her Majesty Queen Noor presented the 64 students, 43 males and 21 females, with their diplomas after short speeches were delivered by Jafar Shami, chairman of the SDC board, and Abdullah Zaid Al Keilani, dean of Faculty of Education at the University of Jordan and general supervisor of the project.

Of the 64 students, six received awards from the Royal Palace for their overall achievements. All have been part of the programme since it was launched in 1984.

The Parallel Education Project, which is a private programme funded by donations by the inhabitants and descendants of Salt, is the first of its kind in the Kingdom. Its main purpose is the development of the creative and intellectual abilities of gifted students from Salt.

Each year, students entering the secondary level with averages higher than 80 per cent can apply to the programme, said Raja Abd Al Halim Dabbas, a typing teacher at the centre. Ninety students, 60 males and 30 females, were selected according to their results in tests approved by the Ministry of Education.

The unbalanced ratio of male to females "is because more males than females apply for the project even though females tend to have their averages than males," said Ms. Dabbas.

In line with an agreement between the SDC and the University of Jordan, the university supervises the selection of students and



Her Majesty Queen Noor and Jafar Shami, chairman of the Salt Development Corporation, present diplomas to gifted students who graduated from an accelerated school programme set up in Salt. The

teachers and prepares the educational syllabi for the project. Gaya Arabat, an art teacher, noted that there are presently eight specialised teachers, three of which are males.

Representatives of the SDC board of directors, the University of Jordan and the Balqa Education Council from a committee which discussed all the procedures with the Ministry of Education, after the minister's approval, the committee selected qualified full-time and part-time teachers, equipped the centre with education materials and computer terminals and made arrangements for the students' transportation to and from school free of charge.

At present there are 180 students benefiting from the project. After a normal school day, the students go to three 50 minute classes every other day, said Ms. Dabbas. Three days are designated for females and three for

males. Each student must take two English, two maths, two Arabic and one science lesson every week. In addition, he or she has a choice of two optional activities in art, music, typing, computer, French, electrical skills or sport.

The teachers interviewed stated that they found the students to be more receptive, quicker at absorbing the information, and showed higher comprehension. "Usually (these) students understand in one lesson what it takes others two lessons to fully comprehend," Ms. Dabbas commented.

The programme seeks not only to develop intellectual and creative abilities, but a sense of self-confidence, special talents, leadership qualities and good citizenship, said Shaher Back, from Noor Al Hussein Foundation, which is a co-sponsor of the programme.

In assessing the programme a study was carried out. "We found in 1985-86 that only two students from Salt had averages above 90 per cent in their tawjihi, but this year ten students from the centre had averages above 90 per cent," said Fathi Jerwan, director of the centre.

In the future, the SDC hopes to expand the project to include gifted students of all stages in education, from kindergarten to the third secondary class, not just from the first to the third secondary class. Both Noor Al Hussein Foundation and SDC hope that similar projects would be initiated throughout the Kingdom through liaison with local communities.

After the ceremonies, Queen Noor chaired a meeting of the SDC and the Noor Al Hussein Foundation boards to make an assessment of the past three years and to exchange views on the projects benefits.

Soviet peace group leaves after talks on disarmament, Mideast peace

By Narmeen Murad
Special to the Jordan Times

AMMAN — A visiting delegation from the Soviet Peace Committee ended their tour to Jordan on Tuesday.

"We came to Jordan in answer to an invitation from the Soviet Friendship Society, to discuss the dangerous tension that is currently gripping the whole world," said Mr. Izat Klytchev, head of the delegation, said at a press conference on Tuesday. Mr. Klytchev is also a member of the Supreme Soviet, chairman of Turkmenian Republican Peace Committee, and Klytchev's artist of the Soviet Union.

Mr. Klytchev explained that the "role of the Soviet Peace Committee is to carry out Mr. Gorbachev's plan which aims at eliminating all nuclear weapons by the end of the 20th century," he said adding that "the existence of such weapons is like holding a sword over humanity's head."

"I feel that the peace movement is an international issue," Mr. Klytchev said. He said that nuclear disarmament and a just peace in the Middle East are wanted by people all over the world. These goals are being blocked by a few governments, he asserted.

According to Mr. Klytchev, the idea of peace does not stem from a particular political thought, but that it is "wanted by people from the whole world, regardless of their ideological differences." He said, citing both the Soviet Union and Jordan as examples: "In our country there are people from many different sects and ideologies who are active in the peace movement, and from my short experience in Jordan I felt that this exists here too."

Concerning the Palestinian problem, Mr. Klytchev said that "there is only one effective way to solve the problem and that is through an international conference which is attended by all countries and under the supervision of permanent members of the United Nations Security Council."

He added that this could only be achieved after a "unified front is created by all Arab governments and nations. The Palestinians must be represented by their sole legitimate representative, the Palestine Liberation Organisation."

When asked about the Soviet Union's position about bilateral meetings between countries in the region, Mr. Klytchev said that the Soviet Union "has already suggested establishing a preliminary committee to work out an effective programme that would define the problems and look into solutions. The Soviet position does not rule out any private talks under the umbrella of the peace conference which would allow individual countries to talk out their differences with Israel and maybe find solutions before the peace conference," he said.

U.S. adds \$60m to import financing project

AMMAN (J.T.) — The United States Agency for International Development (USAID) today committed an additional \$60 million to its three-year Commodity Import Programme (CIP).

An amended agreement, which brings the total USAID commitment to \$165.5 million, was signed by the Minister of Planning Jafar Kanaan, U.S. ambassador to Jordan, Paul Becker and the director of USAID in Jordan, Mr. Lewis Reade.

The CIP programme was established in 1985 to provide financing to Jordan's public and private sector importers to enable them to import manufactured goods and raw materials necessary to Jordan's economic development.

JD 10m spa complex to open in August

MA'IN (J.T.) — The Zarqa-Ma'io Spa complex, 58 kilometres south of Amman, will be partially opened for tourists and visitors in August, and will become fully operational in November this year, Mr. Michael Hamarneh, under secretary of the Ministry of Information, announced here Tuesday.

He said that the project has cost JD 10 million and offers facilities for therapeutic treatments using its mineral water.

Speaking during a visit to the spa site in the company of Minister of Health Zaid Hamzeh and Minister of Occupied Territories Affairs Marwan Dudin, Mr. Hamarneh said that the spa complex comprises a first class 142-room hotel, therapeutic clinics under specialist supervision, swimming pools, facilities for children, a shopping centre, three restaurants and a housing estate.

This spa complex has 60 natural hot springs containing minerals beneficial for patients suffering from rheumatism, sinus, arthritis and asthma, Mr. Hamarneh said.

Mr. Hamarneh, who is also chairman of the board of directors of the Zarqa-Ma'io Spa Company, said that a similar spa complex will be set up in the

southern and northern regions of the Kingdom, in the Jordan Valley and Al Azraq oasis.

Mr. Fayed Abul Ghanam, director general of the spa, briefed the visitors on the work and the facilities in the project site.

Dr. Zaid Hamzeh said that the visit was to enable officials to study the project so that therapeutic treatment can be offered in an organised manner and Health Ministry specialists provided.

Other officials present included Mr. Mansour Ibo Tarif, under secretary of the Ministry of Communications, who said that his ministry was conducting studies to ensure telephone services to the spa before the project is inaugurated in August.

Mr. Sharari Al Najada, director of public works in Amman region, said that the Ministry of Public Works has opened a 22-kilometre stretch of road linking Madaba with the spa. The road project cost JD 70,000, he said.

Last year, Belgium granted Jordan a JD 2.5 million loan to help finance the complex project.

Work on the project which began in 1983 had to be suspended several times due to lack of funds.

Jaguar begins 'new era'

By Sana Atiqeh
Special to the Jordan Times

AMMAN — Jaguar, the British auto manufacturer, today re-launches two of its luxury cars in Jordan, nearly four years after the government here lifted an Arab boycott imposed on the company for operating in Israel.

Speaking at a press conference on Tuesday, Jaguar's sales director for overseas, Mr. Nigel Heslop said the launching of the car in Jordan is "a start of a new era." He said that it has taken seven years to produce the XJ6 and Sovereign Jaguars in order to meet the international requirement in quality, safety, and durability.

"We put the past, present and future in the Jaguar. The wood and the leather is the past; the improved suspension system in the present and the latest modern electronic technology is the future," Mr. Heslop stated.

He continued to say that during the seven years of building this car, it has been tested in all climates and areas of the world and has driven 8 million kilometres to test its durability.

Jaguar was part of British Leyland several years ago and had operations in Israel. But since it became a private shareholding company, it stopped its opera-

tions there, according to the sales director.

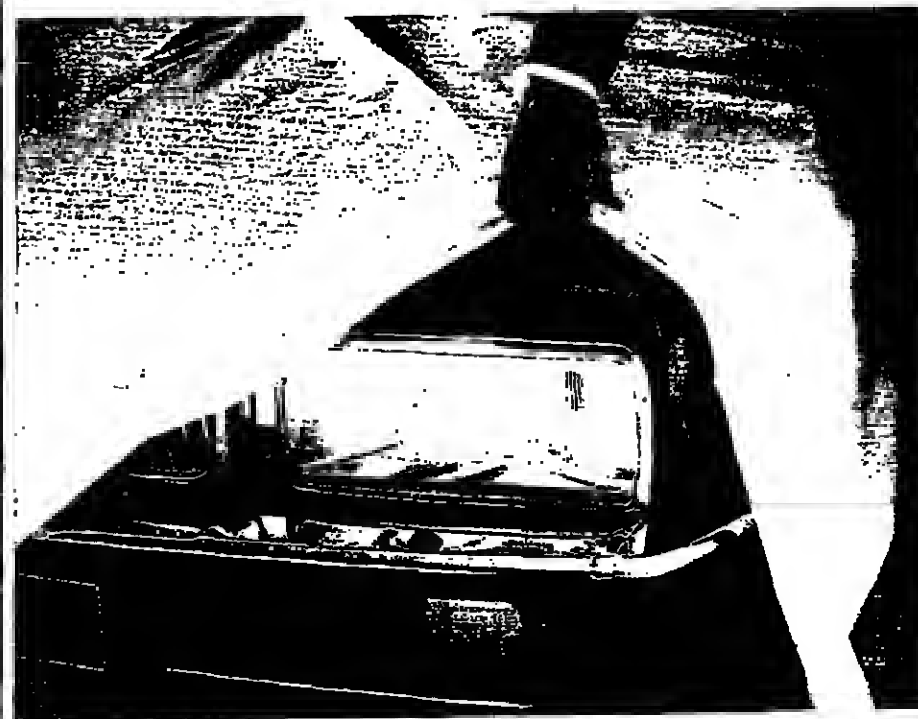
Mr. Heslop said the company started a programme with its local agents, Al Tewfik Automobile and Equipment Company, to prepare for the launching in Jordan. He said: "The agents here have gone to great lengths to change their premises to accommodate Jaguar, and have had their sales and technical staff trained both in the U.K. and in Jordan in all aspects of our cars and our business, thus providing through their improved facilities and advanced servicing equipment and parts an excellent standard of service to Jaguar's elite clientele."

There are already five Jaguars on the roads of Amman, according to Hassan Taba'a, sales representative of Al Tewfik Automobile and Equipment Company. Mr. Taba'a also told the Jordan Times that there is already a long waiting list of orders for the XJ6 and Sovereign Jaguars.

The new Jaguar costs the client JD 11,850 without duties, and JD 34,200 with duty paid.

Mr. Heslop said that in 1980-81, Jaguar lost \$25 million when 14,000 cars were produced by 13,000 employees; whereas 1986 showed a profit of \$120 million with 44,000 cars produced by 11,000 employees.

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Welcome Dr. Waldheim

THE Austrian president, Dr. Kurt Waldheim, is due to arrive in Amman today on an official visit that will last for four days. We welcome him, not only as the democratically elected head of a friendly and proud state but also as a statesman who spent the best part of his life defending human rights and working for international peace and prosperity.

During his ten years as U.N. secretary general, and before, as Austria's foreign minister and representative to the U.N. and other world capitals, Dr. Waldheim dedicated himself and exerted tremendous efforts towards bringing East and West, North and South together. He worked tirelessly to consolidate human achievements and to advance understanding among nations and peoples of the earth. This he did in a thoroughly objective and professional manner, not losing sight for one moment of the rights of all nations to live in peace and security, and to make available to smaller, poor states all ways and means to be heard, to express their views freely and to participate in determining their own future and that of humanity.

We in Jordan, as indeed elsewhere in the Arab World and the rest of the international community, had followed his steps on the international scene with keen interest and admiration. His job was very sensitive and never easy. Nonetheless he carried it out with integrity and without lacking the courage or the clarity to enforce the U.N. Charter and the world body's resolutions on international issues.

As it turned out, Dr. Waldheim's views on these issues, and particularly the Palestinian problem, appear to have been a factor in the onslaught against his person that is now being waged by Jewish organisations, Israel and some people in the United States of America. Since the other factors involved in the so-called "controversy over Dr. Waldheim's past" remain under careful study and analysis in Austria, first and foremost, it is not for us here to go beyond stating our conviction that the Austrian president, government and people will soon weather the storm and resume their traditional role in serving the cause of peace, stability and progress in the world.

It is to this end, as well as to further strengthening Austro-Jordanian ties and friendship, that we look to Dr. Waldheim's visit to contribute the most. There is much for Jordan and Austria to do together, and we are both hopeful and confident that the Austrian head of state's trip to Jordan, and his talks with His Majesty King Hussein, will be crowned with success.

ARABIC PRESS EDITORIALS

Al Rai: Mauritania sets the example

MAURITANIA, which has just announced severing relations with Iran reminds the Arab World of an important duty, that its countries should join forces and back Iraq in its endeavours to defend Arab soil. In the absence of an all-out Arab effort, and the lack of an international formula to end the conflict, efforts by individual Arab states can help isolate Iran and expose its aggressive nature which is bent on continuing the war against the Arab Nation. This war has cost the Iranian and Arab peoples heavy losses in human power and material resources. Jordan has always advocated a unified Arab stand, rejecting all forms of aggression and condemning enemy attempt to occupy Arab territory. Jordan has been seeking strong relations among Arab states and also searching for means to end the war and re-establish normal Arab-Iranian relations based on mutual respect and non-interference in each other's internal affairs. A concerted Arab effort is required to exercise pressure on Iran and make it refrain from committing further acts of aggression on the Arab countries. Such a stand might pave the way for other pressures from the international community, leading to an end to the conflict in the Gulf. We welcome Mauritania's decision which reflects a nationalistic stand and we hope that such a move will make Iran understand the need to stop its war on the Arab Nation.

Al Dustour: King reaffirms Jordan's policies

KING Hussein spoke in an interview with Turkish television, reiterating Jordan's firm policies with regard to the problems of the Middle East. His statement about Jordan's position crowned a visit to Turkey intended to offer further service to the Arab cause and to give more momentum to current efforts designed to bring about a just settlement to the Middle East conflict and the Gulf war. The King's interview was meant to bring home to the Turkish public, the facts about the Middle East question and to seek Turkish support for convening an international conference, which serves as the only feasible way for implementing Security Council resolutions on Palestine. The King presented the Arab case and referred to the conflict with Israel as the most serious source of danger threatening world peace. King Hussein also urged Turkey to help bring an end to the Gulf conflict that has sapped the human and material resources of the two neighbouring Muslim nations and destabilised security in the Gulf region. He also dwelt on the question of Turkish-Jordanian ties which he described as based on mutual respect and strong historic links. These elements, he said, are bound to corroborate future cooperation between the two countries.

Sawt Al Shaab: Isolating Iran

MAURITANIA'S decision to sever diplomatic relations with Iran will not be the last such Arab or Islamic step. The move was motivated by Mauritania's feeling that Tehran's rulers and their practices have been causing danger to peace and their relations with other countries are based on aggression. These rulers, ever since they came to power, have turned against their own people, causing so much sufferings and misery in Iran. They have set their attention on aggression and on launching attacks on their Arab neighbours, something which they have continued until this moment. Jordan was the first among Arab and Islamic countries to realise the misleading slogans of the Iranian rulers and their lust for dominating neighbouring countries. These rulers have turned down all bids by regional and international organisations to bring peace to the Gulf and closed their ears to calls for the establishment of brotherly relations with the Arab countries. Mauritania's move reflects that country's full understanding of the real intentions of the Iranian rulers. Let us hope that cutting relations with Tehran and the isolation of Iranian rulers will help bring them back to their senses to make them respond to the call of reason.

'Peace and U.S. interests in the Middle East'

By Richard Murphy

The writer is U.S. assistant secretary of state for Near East and South Asian Affairs. The following is the text of an address he delivered to the Foreign Policy Association in New York on June 25.

IT is a distinct privilege for me to be at the Foreign Policy Association and to discuss American policy in the Middle East with this knowledgeable audience.

War and peace in the Middle East region are issues that face us daily. Our overall goal is peace. We seek negotiated settlements to regional conflicts and a reduction in tensions and confrontations. America's interests are best served by regional stability; that is peace between Israel and its neighbours, a resolution of the Lebanese tragedy and an end to the Iran-Iraq war.

On the other hand, increased instability in the Middle East provides the Soviet Union, and others who would like to increase their regional influence at the expense of our own, with opportunities to exploit the situation.

During my more than three and half years as assistant secretary of state, we have sought to confront these instabilities by strengthening the U.S. relationship with our traditional friends in the Middle East. Much of our attention has focused on the Arab-Israeli peace process and the Gulf — two issues which I would like to explore with you today.

Middle East peace process

The Gulf may grab headlines, but the goal of a comprehensive Arab-Israeli peace remains a critical and ongoing priority for this administration. Some critics of our efforts say that we are at a stalemate. On the Arab side, they claim Syria's often less than positive role and the lack of consensus between King Hussein and PLO Chairman Yasser Arafat combine to block any creation of a united Jordanian-Palestinian position on peace talks.

Meanwhile the ongoing political debate in Israel and absence of a united Israeli position on a peace conference, likewise preclude substantive movement towards negotiations.

These critics tend to overlook some important facts. Since the March, 1979 signing of the peace treaty between Israel and Egypt, we have worked on a virtually continual basis with the key parties in the region to try to find a generally acceptable negotiating scenario. While negotiations have thus far proved elusive, there have been steady signs of improvement in the regional atmosphere. Among the most recent:

The Israeli-Egyptian peace treaty is intact.

Israel and Egypt have agreed on an arbitration mechanism to resolve this dispute over a geographically small but politically important piece of territory in the Sinai.

Egypt itself is steadily regaining its leadership role in the Arab World while maintaining its relationship with Israel.

The public meeting between King Hassan of Morocco and Prime Minister Peres provoked only the most muted criticism in the Arab World.

King Hussein's quest for an acceptable framework for negotiations with Israel receives broad support throughout the region.

In other words, the key question in the Arab World today is "how" — not "whether" — to negotiate a peace settlement.

Over the past two and a half years, our own efforts have concentrated on how to bring Israel and its Arab neighbours to the negotiating table. We would have preferred to bring about direct peace talks without involving the international community. The issues to be negotiated are complex enough without the added complication of a number of outside players. However, King Hussein has consistently maintained that Jordan cannot move to bilateral negotiations with Israel without some visible legitimising support from the international community.

So, we've come reluctantly to the view that an international conference might provide the

vehicle for bringing the parties together. We are insisting, however, that having launched the parties on face-to-face bilateral negotiations, the conference must then in no way interfere with their efforts. It must neither impose its views on them nor veto their agreement.

The significant progress over the past six months of the effort to move towards direct, face-to-face, peace negotiations underlines the positive direction that behind-the-scenes diplomacy has taken.

Let us review the common ground that has emerged from our quiet but intensive diplomatic activity.

All parties now agree that: A conference will invite the parties to form geographical, bilateral negotiating committees; A conference cannot impose solutions or veto agreements reached bilaterally;

Palestinian representatives will participate in face-to-face negotiations within a Jordanian-Palestinian delegation;

Participants in the negotiations will be expected to accept U.N. Security Council Resolutions 242 and 338 and to renounce terrorism and violence.

There are still some difficult questions ahead and the road to negotiations remains rocky. But we will persevere.

Any Soviet role in the peace process must be linked to a demonstration of constructive Soviet behaviour. We have yet to see such behaviour on their part. For example, we don't view their role in encouraging a PLO reunification as constructive. The extreme positions on peace taken by the PLO at its conference in Algiers are not encouraging. The Soviet relaxation of Jewish immigration quotas is a move in the right direction, but it is not enough. Soviet Jews must be given the right to emigrate, if they wish, and those who remain must be permitted to worship freely. When I meet with my Soviet counterpart early next month, I will press our position on these and other issues.

We have consistently stated that Palestinians must be involved at every stage of the process; they should be represented in a joint Jordanian-Palestinian delegation. However, since the Arab World in 1974 proclaimed the PLO as the sole, legitimate representative of the Palestinian people, the PLO has not come to grips either with the reality of Israel or with the need for peaceful negotiations based on resolution 242 as the only road to a peaceful future. The PLO has not yet shown that they are qualified to enter the peace process.

Israel is divided over how best to advance the process of peace. Some Israelis understand the cautious approach we are taking towards an international conference. Other Israelis do not see the conference route as a viable alternative. The Israelis will have to consider the issue carefully and make their own decisions, and we will not interfere in their internal deliberations.

But we will continue our efforts to develop an approach, acceptable to all the parties, that will allow them to negotiate peace.

Failure to advance the cause of peace will not be due to any lack of effort on our part. We must see this effort through — with good will and creativity on all sides it can work.

U.S. Gulf policy

For over a month now, issues relating to American interests and presence in the Gulf have been exhaustively discussed in the media and in the Congress. Some people question the manner in which we are pursuing our national interest in the area; others doubt the motivation behind our decision to reflag Kuwaiti tankers; and some question our decision-making process, accusing us of a merely knee-jerk reaction to the increasing Soviet role and presence in the Gulf.

At the end of 1986 when Kuwait asked us to help protect half of its tanker fleet, we knew of their prior approach to the Soviets. Had we not been prepared to reflag and protect these 11 ships, the Soviets would have done so. Clearly, America's long-term interest is not served by an increased Soviet presence and influence, not only for its effect on Kuwait, but on its fellow members of the Gulf Cooperation Council. An expansion of the Soviet role in the Gulf would be a major strategic setback, which would be difficult — if not impossible — to reverse. We consider that since the Soviet Union, in contrast to the free world, is not dependent on Gulf oil, their long-term objective is to gain political influence at our expense. Do we want to see the Soviet Union at some point interdicting the strategic sea lanes of the Gulf?

Will American interests be served if the Soviets or an Iranian regime hostile to the U.S. determine who has access to the Gulf oil?

By early March when President Reagan decided that the United States would protect the reflagged Kuwaiti oil tankers, administration experts had thoroughly reviewed the political and military options available to us. In mid March, we began the process of consultation with the Congress. Then on May 7 came the unexpected and accidental attack on the USS Stark which focused public attention on the U.S. presence in the Gulf and the potential for increased risks to U.S. personnel.

The recent report to the Congress on "security arrangements in the Gulf" reviews the issues thoroughly, assesses the risks, and details U.S. intentions. Because we consider that American forces will not be involved in "imminent hostilities" in the Gulf and the clearly non-provocative nature of our presence and protection, the administration has determined that invocation of War Powers is not appropriate. But we have assured Congress that we monitor the situation closely, and we will continue our frequent and detailed consultation with the Congress.

The Iran-Iraq war has dragged on for almost 7 years. In the Gulf, the "tanker war" which began in 1984, has escalated and expanded over the last eighteen months. The number of attacks on vessels increased substantially in 1986, and they have not abated in 1987, with the exception of a few weeks following the attack on the USS Stark. Since last September, Iran has singled out for attack ships calling at Kuwait. They are seeking to intimidate a country that has stood up to Iranian-sponsored terrorism, subversion and sabotage. Kuwait has asked for and deserves our support. Iran's acquisition and testing of Chinese Silkworm missiles has added a potential threat to non-belligerent shipping in the Gulf. The Strait of Hormuz at its narrowest point is only 35 miles wide and these missiles have a range of approximately 50 miles.

The administration's Gulf policy has been clear and consistent since 1980. President Reagan reaffirmed on May 29 that "the use of the vital sea lanes of the Gulf will not be dictated by the Iranians."

The stakes involved are great. Our response had been measured and crafted with a careful appreciation of the risks. The security and economic stability of the free world cannot be held hostage to Iranian threats to Gulf shipping. Our economy is the most oil intensive of the major industrialised nations and is therefore most vulnerable to changes in oil prices or supply. Over a quarter of the oil traded internationally is produced by countries in the Gulf. In 1986, two per cent of the oil Western Europe consumed passed through the Strait of Hormuz. For Japan the figure was 60 per cent, and for the U.S., five per cent. We should remember the dramatic impact on the U.S. and the world economy by the small oil supply disruptions of 1973 and 1979, which together caused oil prices to increase almost ten fold. That others may suffer more from market disruption at this point in time is not a persuasive argument for us to do less than our interests require. We only need to remember the small oil supply disruptions of 1973 and 1979, which together caused oil prices to increase almost ten fold and had a dramatic impact on the U.S. and world economy.

Our arrangement with Kuwait to transfer the registration of 11 of its oil tankers to the American flag is a non-provocative act of deterrence in defence of vital U.S. interests. The U.S. naval presence, which has symbolised our resolve to protect U.S. interests in the Gulf for almost 40 years, has been a powerful deterrent against Iranian attacks on our shipping.

The Kuwaitis also are using three Soviet tankers to export their oil from the Gulf. There are those who see a confluence of interests between the U.S. and the Soviet Union in the Gulf and question why we should not work together on an international maritime regime. We agree that both have an interest in ending the Iran-Iraq war and protecting their own ships.

We have been encouraging the Soviets to use their influence with their friends to curb the flow of weapons to Iran from Eastern Europe and North Korea. To date, they have been unwilling to staunch this flow.

Our goal, however, remains bringing the Iran-Iraq war rapidly to an end. We are leading efforts in the U.N. Security Council for a resolution which would demand an immediate ceasefire and a withdrawal to international borders. It would also set the stage for enforcement measures directed at either state refusing to comply with the U.N. resolution.

We are pleased that the permanent members of the UNSC are now agreed on language ordering a ceasefire. While results on the ground are far from certain, the current U.N. initiative represents a serious and significant effort to find a negotiated settlement to the war. That said, we do not see an international regime as feasible; nor do we consider that a confluence of Soviet and American interests extends to a joint protective regime because that regime could lead to Soviet access to ports and facilities in the Gulf, which they currently do not enjoy.

While Congress agrees with the administration that the United States has vital interests in the Gulf, some members would like to limit the American role and presence and specifically prohibit the United States from protecting oil tankers re-registered under



Richard Murphy

Our goal remains bringing the Iran-Iraq war rapidly to an end. We are leading efforts in the U.N. Security Council for a resolution which would demand an immediate ceasefire and a withdrawal to international borders. It would also set the stage for enforcement measures directed at either state refusing to comply with the U.N. resolution. While results on the ground are far from certain, the current U.N. initiative represents a serious and significant effort to find a negotiated settlement to the war.

overseas are misinterpreting the debate as a weakening of American resolve. They wonder: Is the U.S. determination to protect its vital interests wavering? Our answer must be a resounding, no. For if we are to maintain our position as the leader of the free world, we cannot back away from serious threats to American interests. We must make it clear to our friends and opponents abroad that the presence of debate does not indicate the absence of resolve.

Let us look at the criticism that's been levelled at our Gulf policy. Some critics cannot understand how we made the decision to reflag and protect 11 Kuwaiti oil tankers. They ask: Was our decision thought through or was it simply a visceral reaction to the possibility of the Soviet protecting these same

ships? Some suggest the United States was trying to restore its credibility in the region, tarnished by revelations of the Iran-contra affair. Others ask: Why don't we admit to the Congress that U.S. Navy ships on duty in the Gulf will be entering an area of imminent hostilities involving them? Why should we not work with the Soviets to protect our apparently similar interests in the region?

Most Americans recognise that U.S. interests in the region are long standing. The United States has maintained a naval presence in the Gulf since 1949, based on the recognition of every president since World War II that this region is vital to our interests.

The continuation of the Iran-Iraq war and increased Iranian intimidation of Kuwait has troubled us and our friends in the region for some time. Our efforts in the United Nations and our strong support for attempts to end the war have concentrated on three basic objectives, that there be:

— No victor or vanquished; A ceasefire and withdrawal of forces to internationally recognised boundaries;

— A negotiated settlement. We are not alone in recognising that Western interests in the Gulf must be defended. We are gratified by the results of the Venice summit and welcome the renewed expression of support from our allies. The seven heads of government agreed on the paramount importance of the principle of freedom of navigation in the Gulf, the necessity to assure the unimpeded flow of oil through the Strait of Hormuz, and the urgent need for an early negotiated end to the Iran-Iraq war. There is a clear consensus among Western governments of the strategic importance of the Gulf.

The U.K. and France (the U.K. since 1980) both have a naval presence in the Gulf region. The British have four ships in the area out of 60 ship fleet and since the beginning of this year have protected more than 100 ships safely through the Strait of Hormuz.

We will continue to explore ways to cooperate more closely with our friends and allies and will encourage other countries to carry their share of defence responsibilities in the area. Clearly, the end of the war will be the best protection for international shipping and the flow of oil in the Gulf as well as for the security of our friends in the area.

In sum we are committed to improving stability in the volatile Middle East both by bringing about peace talks between Israel and its neighbours and seeking an end to the war between Iran and Iraq. Our friends in the region, our allies, and our adversaries are watching us to see if we can succeed. The answer is simple. We must.

LETTERS

Setting the record straight

To the Editor:

ALL of us in UNICEF agree with your description of the news about the arrest of the director of the Belgian committee for UNICEF on the grounds of possible incitement of corruption of minors (editorial, Jordan Times, June 29, 1987).

It is with horror and dismay that UNICEF learned of the recent events in Belgium. For all of us fighting for the rights of every child, the vibrations of this isolated incident shook our deepest human feelings and principles.

To be fair, however, one should not jump to hasty conclusions and condemn an organisation like UNICEF which has dedicated its efforts since 1946 to the defence and welfare of the world's disadvantaged children.

Your editorial was based on three major inaccuracies which must be corrected:

First: Historically, UNICEF was created in 1946 to respond to the needs of European children — victims of World War II. This mandate was totally reformed in 1950 by the U.N. General Assembly to respond to the silent, yet desperate, needs of children in the developing world. Since 1950, UNICEF has served only the children of Third World countries. It does not have any programmes in the industrialised world. UNICEF works closely with governments of Third World countries to ensure better opportunities for the world's children and offer them hope and prospects for better and healthier lives — that is UNICEF's challenge.

Second: As to the precise figures that you said you did not have on money spent on European children, we would like to point out that in 1986 about \$400 million was spent in programmes in Third World countries in the fields of child health and nutrition, water supply, disaster relief etc. Not one single penny was spent in Europe or in any industrialised country on UNICEF programmes.

Third: UNICEF national committees exist only in the industrialised countries. They are not part of the official U.N. body. These committees are independent organisations accredited to support UNICEF's work. It is not UNICEF's intention to disassociate itself from these committees, as they carry out a vital function in the realm of public information and fund raising. Their financial contribution was over \$34 million in 1986. UNICEF's policy is always to allocate resources where children's needs are greatest.

UNICEF's mandate has not changed since its creation in 1946. It is to protect the lives of needy children and to promote their development. To achieve this mission, UNICEF has always counted on the knowledgeable cooperation and support of the media.

The UNICEF regional office for the Middle East and North Africa, Amman.

U.S.-Greek relations suffer setback

By Granville Watts
Reuter

ATHENS — U.S.-Greek relations have suffered a serious setback because of a row over whether Athens had struck a bargain with terrorist groups in return for protection from attacks, diplomats and analysts have said.

The Greek government on June 27 angrily denied U.S. charges that some kind of deal had been reached with terrorist organisations so they would not strike on Greek soil.

"Ridiculous, slanderous, unacceptable, suspicious," said Greek government spokesman Yannis Rouhatis who called on

Washington to withdraw what he called false allegations.

The row follows unconfirmed reports that Palestinian guerrilla leader Abu Nidal paid a secret visit to Athens about 10 days ago. The government denies this.

A government official said the issue could complicate negotiations on the renewal of an agreement which allows U.S. bases in Greece. The present agreement, which provides Greece with \$500 million in credits, expires at the end of next year.

The independent Athens newspaper Eleftherotypia carried the headline: "Bases issue is frozen" and said that Washington had used Abu Nidal to provoke

Greece. Some diplomats were puzzled by the United States decision to make the charges just before the base negotiations were due to start.

"Both Washington and Athens appear to want a new agreement and it could be that the Americans are taking a tougher bargaining stance," one said.

The American charges were delivered to Greek Foreign Minister Karolos Papadoulas by American ambassador Robert Keelley, regarded until now to be on good terms with Prime Minister Andreas Papandreu.

Greece maintains good relations with Libya, Syria and the

Palestine Liberation Organisation (PLO) but has consistently joined other countries in condemning terrorism.

Tightened security measures at Athens airport after the 1985 hijacking of an American TWA aircraft, have been praised by visiting U.S. and British security officials.

There have been no major guerrilla attacks on U.S. targets in Greece since 1985, apart from a bomb blast on a U.S. military bus which was claimed by a Greek left-wing organisation.

Ambassador Keelley is due to leave for Washington soon for detailed talks on the future of the

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Depression book strikes a chord amid U.S. stock market boom

By Richard Sahrn
Reuter

NEW YORK — Economist Ravi Batra, author of a book predicting a second great depression, says the main clue for his gloomy forecast is that the rich are getting gaudier as well as wealthier.

"People are buying \$40 million paintings, and you have homeless roaming the streets," Batra said.

Batra — whose book *The Great Depression of 1990*, was turned down as unmarketable in the early 1980s, but then published privately and just issued in revised form by major publisher Simon and Schuster — said such sharp social divides arise from a very alarming economic fact.

"The concentration of wealth is now at the highest level since 1929. One per cent of the population now owns 34 per cent of the wealth, the highest since 1929, when one per cent owned 36 per cent."

"The handwriting is on the wall for all to see," the professor from Southern Methodist University in

Dallas told Reuters, pointing to growing similarities between the 1920s and the 1980s.

The Indian-born scholar predicts that a crash will be touched off by the rich, who will create a speculative bubble in the financial markets with their spare cash.

The poor and middle class, meanwhile, will borrow more and more heavily to get by. This will undermine the banking system, just as it did in the 1920s. Washington's policies are compounding the problem, he said.

"The government, with its big deficits, is saying 'we'll borrow money for you,'" he said. "They are sealing the fate of the future."

In Batra's scenario, the crash, when it comes, will begin in Japan, whose massive stock market rally makes Wall Street's historic advance this year look like a healthy little blip, he said. Stock prices versus earnings there are three times as high as in the U.S. market.

The depression Batra foresees would be global in nature. "It's spooky," said Batra of the

similarities between the 1920s and the present.

His book has been reviewed in the New York Times, the Boston Globe and other newspapers, generally favourably.

"He writes about his subject as clearly as if he were telling bedtime stories, nightmarish though they may be," a New York Times reviewer said.

Harry A. Jacobs, Jr. senior director of Prudential Bache Securities Inc., said: "Batra's book dramatically reinforces my own deepest worries about the economy. I foresee a worldwide convulsion caused by the obscene federal budget deficit and the enormous trade deficit and the purchase of a worrisome amount of our federal and state bonds by the Japanese. It endangers us all."

A Morgan Stanley report said: "Batra's evidence in support of his theory is impressive. His analysis of the causes of depressions also makes a lot of sense."

Batra hit upon the idea of the coming crash by studying the cycles of money growth and infla-

tion, recession and depression. He discovered that money growth peaks every 30 years, and a recession or a full-blown depression will always follow a decade or so later. The seeds of the 1990 depression were down by the late 1970s inflation.

Borrowing Indian scholar Prabhakar Ranjan Sarkar's broad theory of social and historical cycles, he works out a formula for a financial crash at the end of this decade.

While writing the book in 1982, Batra predicted the stock market rally that has already taken place. He said it would mirror the 1920s. It would run through 1989, then there would be a 1929-style crash.

Since he made this prediction he has been joined by other economists who find frightening similarities between the 1920s and the 1980s: A stock market boom matched by just average economic growth, a heavy wave of mergers, low wage-and-price increases at the heels of double-digit inflation and conservative pro-business politics.

New York Times economic columnist Leonard Silk cites Batra among the experts who say that a great crash could happen again. Silk also cites Professor Kenneth E. Boulding of the University of Colorado, former president of the American Economic Association, who sees a "positive probability" of another great depression.

Recent articles by economist John Kenneth Galbraith and Lezard Frere managing director Felix Rohatyn have also raised the spectre of economic calamity. Wall Street Journal economics editor Alfred Malabre Jr. in his recent book *Beyond Our Means*, predicted an "economic hurricane" will be triggered by heavy borrowing of U.S. citizens and government.

Simoo and Schuster said Batra's book has been in demand. "It's an idea whose time has come. I have overcome some of the negative publicity and irate responses," said Batra.

Even Batra says that, while the events are historically deter-

mined, the nightmare could be avoided. If the federal government imposes a property tax for the rich, this would reduce market speculation and cut the nation's budget deficit, avoiding a crash, he said.

"I say, let's prevent a crash," said Batra.

Still, he gives detailed instructions on how the individual investor should proceed. He suggests buying stocks from now until 1989, when the Dow will be at 3,000, and then selling — stocks, corporate bonds and real estate.

He recommends that some cash should be brought home and put in safe hiding places, and some should be used to purchase a supply of gold. In this depression, he cautions, chaos could be even greater, given the level of social disintegration that has taken place since the 1930s.

He says it is unlikely that governments will come up with a plan to avert a collapse, but adds, "I don't believe that anything is impossible."

Flood of tourists overwhelms Soviet facilities

By Carl J. Williams
The Associated Press

MOSCOW — Visitors to Moscow this year are discovering what officials of the Intourist foreign travel agency have known for months. There's no room at the inn.

With a record number of foreigners touring the Soviet Union and two major Moscow hotels closed for repairs, the city's tourism facilities are booked to capacity.

The stray visitor wanting an extended stay often has to leave. "Sometimes the hotel situation is such that a person could travel all around the country but can't stay in Moscow, so we lose a client," said Vladimir B. Lebedev, head of Intourist's information department. All tourism — visits not connected with business or study — is controlled by Intourist.

Nearly 2 million foreign tourists visited last year, the bulk from the East Bloc. It was a record number despite the April 26, 1986, Chernobyl nuclear accident that discouraged many who feared radiation hazards after the explosion and fire at the reactor.

Lebedev said an increase of at least 10 per cent is expected this year. Intourist officials feel they are just now getting back the business they lost because of Chernobyl. Lebedev also pointed out tourists have comparatively fewer concerns about terrorism in the Soviet Union.

The "golden ring" of ancient cathedrals and monasteries in central Russia, Kiev's famed chestnut tree boulevards and the canals and Czarist treasures of Leningrad have long been favourite stops for foreign tourists.

But the mosques and towering mosaics of Central Asia's silk route cities are the attractions generating the biggest growth, Lebedev said, especially among those tourists making a second or third visit here.

Irina Vershchova of Intourist said an ambitious expansion programme will increase by nearly 50 per cent the number of hotel beds in the capital over the next four years.

Construction began earlier this month on the first of four new Moscow hotels to be completed by 1990, she said.

However, the room situation may get worse before it gets better as another popular hotel in central Moscow, The National, closes next month for renovation.

The Metropol and Berlin hotels have been shut for more than a year.

Recent media articles have complained about the inadequate capacity in the capital, illustrating that foreign tourists are not the only ones hearing nyet when seeking overnight accommodations.

The newsweekly Ogonyok said in May that Soviets who want to visit Moscow find it almost impossible to book hotel rooms. The labour newspaper Trud reported on June 12 that nearly half

the rooms in Moscow are under Intourist or government management and therefore unavailable for ordinary Soviets.

About 60 per cent of the foreigners who visit the Soviet Union each year are from Socialist countries. It used to be 80 per cent, according to Nikolai N. Donskov, deputy director of Intourist's American department.

U.S. tourism to the Soviet Union took its biggest leap ever in 1985, when the number of visitors jumped 30 per cent to about 100,000, he said. The number of American visitors dipped slightly last year because of Chernobyl, but is now rising, according to Lebedev.

Visits by Finns, West Germans, Britons and Japanese are also climbing from year to year. Americans travel patterns seem to ebb and flow with the political climate, Donskov said.

"One reason we came on this trip was because it was quite reasonable," said Carl Richards, an American, who bought a two-week tour of Yugoslavia and the Soviet Union this month for less than \$1,700 including airfare, hotels and meals.

However, like most foreign travel, the cost of Soviet tourism can vary broadly depending on group size and quality of accommodation.

Intourist's style is collective, with the vast majority of tourists arriving in large groups that are shuttled around in buses, fed together at restaurants closed to Soviets and housed in spartan hotels.

Straying from the group is permitted, but visitors who don't speak Russian tend to stay close to the pack and Intourist usually puts together a programme that is both demanding enough to satisfy the visitor's curiosity and includes little time for wandering.

Ms. Vershchova said the Intourist expansion programme envisions new services designed to attract more westerners. Some of the planned improvements have a distinctly Soviet flavour.

What she called "cable television" will be introduced in most Intourist hotel rooms by the end of the decade. It will offer taped performances of folk dancing, political discussions, local entertainment and art tours.

This summer, Intourist comes under a new form of administration dictated by one of Soviet leader Mikhail S. Gorbachev's economic reforms. The agency in the past was given a budget by the state irrespective of its earnings.

Under the new "self-financing" system, the agency's 70,000 employees must be paid out of tourism income, and future expansion will depend on generating sufficient profits.

Both Lebedev and Donskov declined to estimate Intourist's annual hard-currency earnings, describing the agency's economic situation as a "commercial secret." But future endeavours, whether hotels or restaurants, will be hinged on whether they are cost-effective.

Stone-age animal stampedes: New insights on Neanderthals

By Donald J. Frederick
National Geographic

WASHINGTON — Over centuries of Paleolithic time 30,000 to 70,000 years ago, our Neanderthal ancestors stampeded thousands of bison, reindeer, and horses off a 66-foot cliff at La Quina, in southwestern France.

On the valley floor below, the animals were butchered for their meat, hides, and bones. At first, most of the meat probably was consumed in campsites near the cliff. Later, the hunters hauled their kills up to a small shelter just below the cliff's top.

"It's the first time we've been able to show that the Neanderthals engineered these game drives in Europe," says Arthur J. Jelinek, professor of anthropology at the University of Arizona.

Broad new insights

"Even more important, it's the first real glimpse of a whole range of Neanderthal activities that took place at one location. We are seeing how they lived, how they fueled their fires, how they butchered and killed animals," Jelinek says.

The careful synchronisation of all these activities at La Quina indicates that the Neanderthals

had a higher level of social organisation while pursuing game than has previously been thought.

Jelinek and his fellow scientists are gaining new insights into Neanderthal life from the numerous large animal bones — some bearing cut marks from stone tools — millions of pieces of burned bone, and a child's tooth bearing strange abrasions, at the site in a small valley in the rolling hills about 60 miles northeast of Bordeaux.

Directed by Jelinek, Andre Debenath of the University of Bordeaux, and Harold L. Dibble, an anthropologist at the University of Pennsylvania, the work at La Quina has been supported by their institutions, the National Geographic Society, the Wenner-Gren Foundation for Anthropological Research, and the French National Museum of Antiquities.

Far more intelligent than the lumbering cavemen portrayed by cartoons, Neanderthals first appeared in Europe about 125,000 years ago and disappeared about 30,000 years ago. During this relatively short span, the Neanderthals spread all across Europe, the Middle East, and western and central Asia.

Their skeletal remains were discovered in 1856 near Dussel-

dorf, West Germany, in the Neander Valley (Tal, or Thal in 19th-century German).

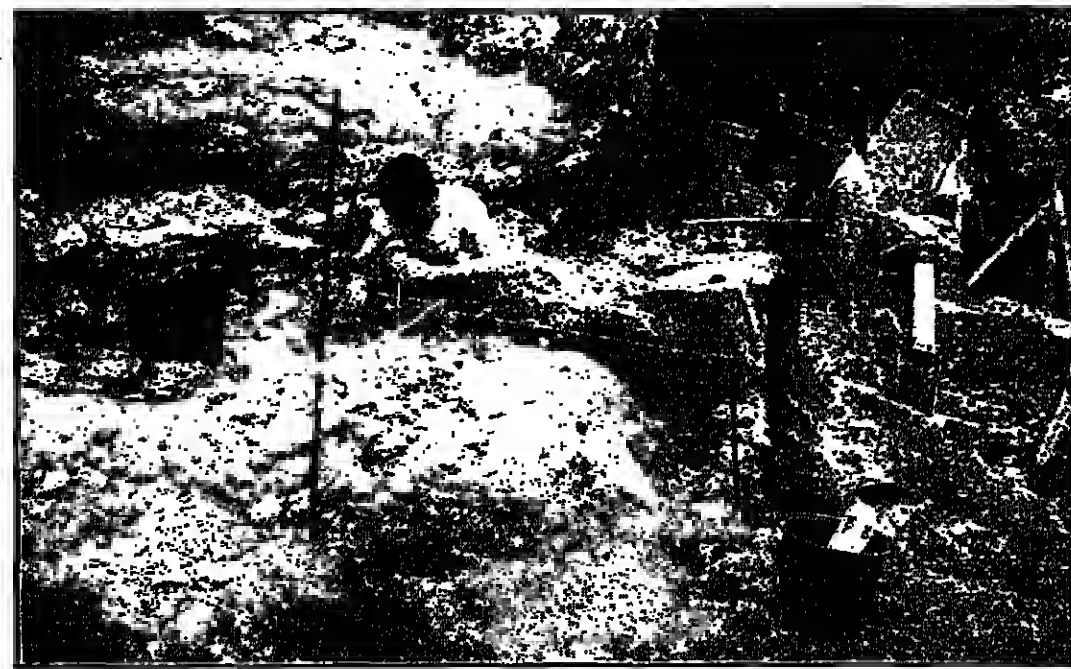
They weren't much different from humans today, although more robust. Their somewhat primitive features were deceiving. Despite Neanderthal's sloping forehead, their average brain was even larger than today's human brain, and just as well developed.

Skilled toolmakers

Several of the tools — scrapers, small hand axes, and choppers — found at La Quina show the skill with which they were shaped in Mousterian style, a name derived from a cave at Dordogne, France.

These Paleolithic toolmakers carefully chipped off the outer layer of stone in several stages before striking off the finished product. Among the tools found at La Quina was a small hand axe that might have been used to butcher animals.

Stone tools also might have had something to do with the child's tooth found at the site. "It came from a 5- or 6-year-old and showed a curious amount of wear," says Jelinek. "Some adult teeth found at other Neanderthal sites around the world also show abnormal amounts of wear, so it



New clues to the resourceful lifestyle of Neanderthals, human ancestors who lived 30,000 to 70,000 years ago, have been uncovered at La Quina, in southwestern France. Thousands of bones, some bearing marks from stone tools, indicate that the

Neanderthals stampeded bison, reindeer, and horses over a cliff, then butchered them for meat, hides, and bones. Excavating a bone at the site are Simon Holdaway and Deborah Olszewski.

seems apparent that his child was doing something that adults did on a regular basis."

Fred B. Smith, an anthropological professor at the University of Tennessee, noted that Neanderthals sometimes used their teeth to retouch stone tools, or as vices. "I wouldn't be surprised if this child was simply imitating its parents or helping with the family chores," he says.

The wear also might have been related to an activity still commonly practised by Eskimos, according to the scientists: The Neanderthals bled hides with their front teeth as they worked on them.

Jelinek sees further evidence of Neanderthal adaptability in the myriad bits of burnt bone at La Quina. "In breaking up the bones and using them as fuel, they

showed how to maximise the use of a fuel source," he says.

Yet another insight into the lives of these prehistoric forebears came from the careful burials of some Neanderthals, suggesting recognisably human emotions on the part of their survivors. In one La Quina area, flowers had been cast into the graves of carefully positioned individuals.

Africa seeks a road to recovery

Patrick Smith attended a United Nations conference on recovery in Africa. He assesses moves towards economic reform across the continent.

LAGOS — African countries should continue to pursue structural economic reforms, while pressing the international community for more flexibility on debt repayments and seeking to expand the intra-African and international market for their products. Delegates propounded these theories at the United Nations (U.N.) economic commission for Africa conference on economic recovery in Africa.

The five-day conference was held at Nigeria's new capital, Abuja. It was aimed at reviewing progress on the implementation of the U.N. programme of action for African recovery and development from 1986 to 1990.

It attracted more than 200 African and international experts, government officials and policy-makers from 36 countries, as well as representatives from the U.N., the International Monetary Fund (IMF), the World Bank and non-governmental organisations.

While the conference had no policy-making powers, its recommendations are to be forwarded to the Organisation of African Unity (OAU) summit at Addis Ababa in August and the scheduled special session on Africa at the U.N. assembly in September.

The programme, launched at the U.N. special session on Africa last June, focused on the restructuring of Africa's agricultural policies to promote increased food production, the build-up of agriculturally-based industries, reversal of the effects of drought and desertification, and widening reforms of the region's educational and occupational training provision.

These objectives were to be underpinned by an international-supported programme of market-oriented economic reforms. About 28 African countries have embarked on substantial structural economic reform, the commission said.

The cost of the U.N. programme was estimated last June to be \$128.1 billion, of which African countries are expected to raise \$2.5 billion. The international

community would be asked to contribute the remaining \$45.6 billion. While the U.N. special session endorses the recovery programme, specific commitments on international assistance were not made. The commission is working in co-operation with the World Bank and IMF to improve monitoring of flows into Africa under the programme, but analysts at Abuja said international support in the first year of the U.N. programme was well below target.

The executive secretary of the commission, Mr. Adebayo Adedeji, said that conditions in Africa had worsened considerably over the past year. Africa's earnings from commodity exports in 1986 had fallen by \$19 billion, compared with their level in 1985, Mr. Adedeji said, while the cost of the region's imported manufactures rose an average 14 per cent.

In spite of continuing debt rescheduling negotiations, the region's debt-servicing commitment would total between \$12 billion to \$14 billion, he said. If these economic trends continued, the level of international financing required for the U.N. programme could almost double to \$90 billion, Mr. Adedeji said.

Mr. Mansour Khalid, vice-chairman of the U.N.'s world commission on environment and development and former foreign minister of Sudan, was sharply critical of the IMF and World Bank role in Africa. "The fund and the bank's reform programmes cannot work without a total renegotiation of economic and political relations between the north and the south," he said. He added: "There is little evidence to show that the IMF and World Bank intervention in Africa over the past 20 years has proved successful."

Underlying the conference's deliberations was the pressure on Africa to diversify its export production and trade relations in the face of declining foreign earnings — Financial Times news feature.

King confers with Iraqi leader

(Continued from page 1)

the warfront, Petra said. The agency said President Hussein assured the King of the high morale of the Iraqi armed forces and their readiness to defend Arab soil.

Both leaders also discussed developments in the regional and international scenes, Petra said.

The King's visit to Baghdad was believed to be part of his efforts to reconcile the leadership of Syria and Iraq. He visited Damascus on June 24 and held talks with Syrian President Hafez Al Assad.

Waldheim arrives today

(Continued from page 1)

mutual interest, and then the situation in the area and thirdly the international situation.

"Needless to say, the future of the situation in the Middle East will be decisive for world peace." During his tenure as U.N. secretary general, important resolutions were adopted by the world body in support of Palestinian rights and in condemnation of the continuing Israeli occupation of Arab territories.

Dr. Waldheim visited Jordan as U.N. chief in 1979 as part of his efforts towards reaching a peaceful settlement to the Arab-Israeli conflict.

Austria supports Jordan's call for the convening of an international peace conference on the Middle East with the participation of the five permanent members of the U.N. Security Council and all parties to the Arab-Israeli conflict.

The campaign by the World Jewish Congress and other Zionist groups to discredit Dr. Waldheim began after he announced his candidacy to Austria's top post in 1985. But no document incriminating the Austrian leader have yet been produced — two years after the slander campaign.

The Oslo-based Nobel Prize Committee has recently nominated Dr. Waldheim for the Nobel Prize for Peace in appreciation of his efforts towards world peace.

U.S. to go ahead with plan

(Continued from page 1)

Shultz also defended the decision, saying the United States was taking the action to support its allies in the region, and "basically in opposition to an increased role" for the Soviet Union in the strategically vital region.

Mr. Reagan did not appear in the White House briefing room after the high-level meeting, but he dispatched his senior civilian and military advisers to explain the decisions he has made.

Fitzwater said the United States was asking the U.N. Security Council to seek an end to the Iran-Iraq war, "including international post-war reconstruction efforts."

Underlining the political importance Mr. Reagan attaches to public support for his plan to protect Kuwaiti ships, the White

House produced the entire high command of the U.S. national security apparatus to support the announcement that the operation would go ahead — Mr. Shultz, Mr. Weinberger, Mr. Webster, National Security Adviser Frank Carlucci, and Admiral William Crowe, chairman of the Joint Chiefs of Staff.

Fitzwater said U.S. strategy to protect its interests in the Gulf — the industrial world's main oil artery — would continue to focus on the need to bring the Iran-Iraq war to the earliest possible negotiated end with no winner and no loser.

He said the United States wanted the U.N. Security Council to meet before mid-July to pass a strong, comprehensive resolution including a ceasefire in the Gulf war

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Evert, Sabatini, Kohde-Kilsch, Cash advance at Wimbledon

WIMBLEDON, England (AP) — Three-time champion Chris Evert and 17-year-old Gabriela Sabatini struggled through second-set letdowns against unseeded opponents to advance to the women's quarterfinals at Wimbledon Tuesday.

Evert, the third seed, wasted three match points on her serve before reaching the quarterfinals for the fourth consecutive year and the 15th time in 16 appearances at Wimbledon with a 6-2, 2-6, 7-5 victory over Ros Fair-

bank of South Africa. Sabatini, seeded sixth, became a quarterfinalist for the second year in a row, beating 16-year-old Natalia Zvereva of the Soviet Union, the defending junior champion, 6-0, 2-6, 6-4.

Moving into the final eight with much more ease were Stefan Edberg, Claudia Kohde-Kilsch, Pat Cash and Diane Ballestrat. Edberg, the men's fourth seed from Sweden, dropped a set for the first time in the tournament before beating Jakob Hlasek of Switzerland 6-3, 6-7, 6-1, 6-4.

Kohde-Kilsch, the women's eighth seed from West Germany, beat 11th-seeded Catarina Lindqvist 6-4, 6-2. It's the first time in seven Wimbledon appearances that Kohde-Kilsch has reached the quarterfinals. She will play Evert next.

Cash, the men's 11th seed and a quarterfinalist a year ago, beat Guy Forget of France 6-2, 6-3, 6-4.

Tour de France kicks off today

WEST BERLIN (R) — The 74th Tour de France opens here Wednesday with the possibility of another English-speaking triumph stronger than ever.

Last year American Greg Lemond made the breakthrough. Although he is sidelined this time, following a hunting accident, there are at least four men capable of staging a follow-up triumph in the world's most important cycle race.

Ireland's Stephen Roche proved that when he won the Giro d'Italia earlier this month. Roche, compatriot Sean Kelly and Australian Phil Anderson are all on a Tour de France comeback.

Roche struggled through it last year with a knee injury, and Kelly missed the tour because of knee trouble. Anderson was still recovering from a rheumatic disease, and for once played a minor role.

Roche's Italian triumph is a powerful pointer and the Dubliner, third in the 1985 tour, is ambitious to join the elite few who have won the tours of Italy and France in the same year.

This double has twice fallen to Bernard Hinault (France), Eddy Merckx (Belgium) and Fausto Coppi (Italy), and once to Frenchman Jacques Anquetil, who, like Merckx and Hinault, is a member of another exclusive club. They are the only men to

win five Tours de France.

For Ireland's Kelly one tour triumph would suffice for now. He ranks world number one but his eminent record in 10 professional years lacks a world title and, more importantly, victory in one of the three major tours.

He came close this year in the Tour of Spain. Four days from the finish the farmer's son from Carrick on Suir was race leader but had to quit because of a cyst on his behind.

Anderson, from Melbourne, held the race lead for nine days in his debut year, and has twice finished fifth.

Contender number four could be Andy Hampsten. The man from Boulder, Colorado, was fourth last year — his tour debut — and after helping teammate Lemond to victory.

France have yet to find a successor to the retired Hinault. Laurent Fignon has not recaptured the promise of the mid-eighties when he twice won the tour.

Apart from Fignon, currently protesting his innocence after a drug test proved positive, the French look to Charly Mottet and Jean-Francois Bernard. If they fall then French prospects could decline as they did between 1968 and 1976 when the country provided only one winner in nine starts.

British hopes will rest with a Scot, Robert Millar. He may not have the all-round abilities of Kelly and Roche, but second place in the Giro, plus twice runner-up in the Spanish Tour must count for something. For the first time a British trade team is among the 200-plus field.

Tour de Sol starts in bright Swiss sunshine

BIENNE, Switzerland (AP) — Nearly 100 solar-powered vehicles set off Monday in bright sunshine and summer heat on what was billed as the second World Championship Solar Rally, a 441-kilometre (276-mile) race mostly on Swiss roads.

The six-day "Tour de Sol" is a showcase for engineers seeking to prove that a combination of sophisticated electronics, light materials and sun power is the wave of the future for transportation.

In an unprecedented mountain test, the last stage will lead the racing teams up a 1,144-metre (3,775-foot) vertical rise to the finish line in the famed Swiss winter resort Arosa.

The tour also includes brief sections through Austria and Liechtenstein.

Kankkunen wins Olympus Rally

TACOMA, Wash (R) — World rally driving champion Juha Kankkunen of Finland Tuesday night won the Olympus Motor Rally — a four-day event dominated by the Italian Lancia team. Kankkunen's time in his Lancia Delta HF was five hours 59 minutes 24 seconds, 12 seconds better than Miki Biasion of Italy and 42 seconds ahead of their teammate Markku Alen of Finland, last year's winner here.

The trio won all but four of the 41 competitive stages outright. Biasion won 17, Kankkunen 13 and Alen seven. Biasion won stages eight to 18 before the team ordered him to leave the win to Kankkunen.

SPORTS IN BRIEF

26 soccer players, fans reported killed

NAIROBI, Kenya (AP) — At least 26 soccer players and fans were killed when the lorry driving them to a match crashed into a river in central Kenya, newspapers reported Tuesday. At least 30 people, among 86 passengers crowded into the back of the truck, were injured, Nairobi papers said. The lorry missed a bridge over the Unja River and tumbled some 50 metres down a ravine while the players and fans of the Niharene Football Club were on their way from Kanyake Market to Nkubu for a match with the local Kawempungu Club on Sunday afternoon.

Steaua Bucharest wins soccer title

VIENNA, Austria (AP) — Romania's champion Steaua Bucharest won the national championships Monday with 59 points following a 1-1 (1-0) draw with Universitatea Craiova. Dinamo Bucharest was second with 44, and Victoria Bucuresti third with 38 points. Steaua will play in the European Champions' Cup, Dinamo in the Cup Winners' Cup and Victoria, Studentesc Bucharest and Universitatea Craiova will play in the UEFA Cup.

Maradona nurses sore throat

BUENOS AIRES (R) — Argentine soccer star Diego Maradona has nursed a sore throat on the first anniversary of Argentina's World Cup triumph in Mexico, while coach Carlos Bilardo said his squad would not be celebrating. While Argentina practised for their vital South American Group A match against Ecuador on Thursday, Maradona, defender Oscar Ruggeri and goalkeeper Luis Islas were all laid up with sore throats.

Australians win, Americans disqualified

PORTO CERVO, Sardinia (AP) — Australia's Kookaburra II sailed to its third straight victory Monday in the fourth race of the 12-metre world championship that saw the U.S. entry disqualified. Kookaburra III, skippered by Peter Gilmour, clocked four hours, 18 minutes and six seconds over the 24.5 nautical mile course. Beigal, another Australian entry, was second in 4:19.42, followed by White Horse challenge of Britain in 4:25.52.

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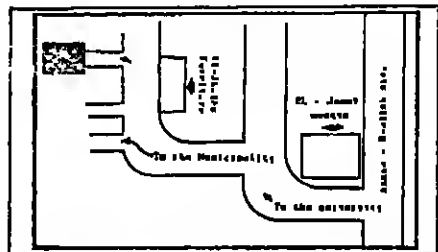
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Owner	Horse	Trainer	Jockey	Weight
1. A. El Halem Sulman	Zilal	Owner		54.5
2. Olay Bashier El Sibawi	El Nardah	Owner		54.5
3. Siad Mohammad A. El Jall	S. Saad	Owner		54.5
4. Marshhour F.A. Jabb	S. El Arab	Owner	A. Jabir	53
5. Mousled Mohammad	Ghazal	Owner	Mwalak	53
6. Nabil Shihadi El Hadeed	Machhour	Owner	Ahmad	50
7. Awwad Mahmoud Mohammad	M. Tark	Owner	Yousef	50
8. Sakr Fahd Lawandh	Ghannam	Owner		50
9. Mohammad Fadi	S. El Arab	Owner	Mahmoud	50
10. Oudh El Kasy	Itan El Reel	Owner	Sameeh	50
11. Salman Feham Nabulsi	M. Salman	Owner	Saad	48.5
12. Ali Alamin El Abadi	Pharah	Owner	A. Jaghli	48.5
13. Tarek Mohammad A. El Habb	A. El Khair	Owner	Eiad	48.5
14. Mohammad A. El Jari	T. Hakam	Owner		48.5

SECOND RACE 4.30 FOR BEGINNER HORSES DISTANCE 1600 METRES

Owner	Horse	Trainer	Jockey	Weight
1. Ghazy Farah A. Jabir	El Asil	Owner	Mahmoud	53
2. Ghazy Farah A. Jabir	El Ghoolh	Owner	Saad	48.5
3. A. Jabir & Baniat	Warid	Owner	Ahmad	51.5
4. H.H. Late Sheil Nasir Stable	S. El Khail	Owner	Abbas	50
5. H.H. Late Sheil Nasir Stable	Kareem	Owner	Adnan	50
6. Samy Yacoub Madros	A. El Fawaris	Owner	Ikhtas	48.5
7. Samy Haddadin	Mahboubaty	Owner	George	48.5
8. Lorraine Mohammad		Owner	Rashed	48.5

THIRD RACE 5.00 FOR THIRD CLASS HORSES DISTANCE 1000 METRES

Owner	Horse	Trainer	Jockey	Weight
1. Saif El Din N. El Ijl	El Samy	Owner	Mahmoud	56
2. Saif El Din N. El Ijl	El Raeh	Owner	Saad	56
3. Ibrahim Hraish	Waly	Owner	Ali	56
4. Ghaleb Haddadin	Tark	Owner	George	55
5. Ghaleb Haddadin	Nawem	Owner	George	51.5
6. H.H. Late Sheil Nasir Stable	Azzih	Owner	Abbas	54.5
7. Samy Haddadin	Zamih	Owner	George	53.5
8. Samy Haddadin	Raad	Owner	George	50

FOURTH RACE 5.30 FOR SECOND CLASS HORSES DISTANCE 1600 METRES

Owner	Horse	Trainer	Jockey	Weight
1. Mohammad Khali El Maiev	D. Omar	Owner	Eiad	60
2. Mashhour F.A. Jabb	N. El Sali	Owner	A. Jabir	60
3. Jamal Mohammad El Zabin	El Hamdany	Owner	Mousa	59
4. Mohammad Maesh Midak	I. Kais	Owner	Mahmoud	57.5
5. Mohammad Maesh Midak	S.A. El Salam	Owner	Salah	52.5
6. Dr. A. El Hakeez A. Wandy	Z. Maen	Owner	Fawaz	57
7. Mohammad A. El Jall	Sail Saad	Owner	Yousef	57
8. Mohammad A. El Naby	Makadeer	Owner	George	57

FIFTH RACE 6.00 FOR THIRD CLASS HORSES DISTANCE 1400 METRES

Owner	Horse	Trainer	Jockey	Weight
1. Hany El Hadeed	Diana	Owner	Ahmad	58.5
2. Nimr El Hmoud	El Talak	Owner	Mahmoud	57
3. Nimr El Hmoud	Aghadeer	Owner	Mahmoud	48.5
4. Khalil Haddadin	Dwan	Owner	Eiad	56
5. Mshali El Faiez	M. El Ajal	Owner	A. Jabir	56
6. Ghaleb Haddadin	Shamaah	Owner	George	55.5
7. Ghaleb Haddadin	Tamouh	Owner	George	52
8. Nawal Anwar El Shalan	Sankh	Owner	Mouhoun	53
9. Saif El Din N. El Ijl	El Karamah	Owner	Yousef	51.5
10. Ali Fawad El Saad	Sary	Owner	Ali	50

Cinema Tel: 677420

CONCORD

CROCODILE DUNDEE

Performances 7:30, 9:00, 10:30, 12:30

Cinema Tel: 625153

RAINBOW

ALIENS

Performances 3:15, 6:30, 8:30, 10:30

Cinema Tel: 675573

OPERA

TOM BOY

Performances 3:30, 6:15, 8:30, 10:30

Cinema Tel: 675571

PLAZA

HANNAH & HER SISTERS

Winner of Three Academy Awards

Performances 3:30, 6:00, 8:30, 10:30

Cinema Tel: 622198

RAGHADAN

TWINKLE TWINKLE LUCKY STARS

Performances 12:15, 3:15, 5:45, 8:15

LONDON EXCHANGE RATES

LONDON (R) — Following are the buying and selling rates for leading world currencies and gold against the dollar at midday on the London foreign exchange and bullion markets on Tuesday.

One Sterling	1.6090/6100	U.S. dollars
One U.S. dollar	1.3228/38	Canadian dollar
	1.8295/8305	West German marks
	2.0595/0605	Dutch guilders
	1.5200/10	Swiss francs
	37.94/97	Belgian francs
	6.1050/1100	French francs
	1326/1327	Italian lira
	147.00/10	Japanese yen
	6.3875/3925	Swedish crowns
	6.7075/7125	Norwegian crowns
	6.9425/75	Danish crowns
One ounce of gold	446.60/447.10	U.S. dollars

LONDON STOCK MARKET

LONDON (R) — Share prices tended to drift down throughout the session as institutional investors continued to reserve funds for the growing batch of rights issues and the forthcoming British Airways Authority flotation.

Dealers said volume was low with the majority of investors happy to square positions in the absence of fresh factors and at the turn of the half year.

GEC added 6p to 348 after annual figures which showed a 23 per cent increase in final dividend but lower than expected pretax profits of £668 million against market forecasts of around £680 million and £701 million in the previous year.

At 1430 GMT the FTSE 100 share index was down 0.5 points at 2,288.8.

Equities took little incentive from the firmer trend of U.K. government bonds which was due to the pound's stronger performance against both the dollar and the mark. Longer dated gilts gained well over 1/2 point while sterling was five basis points up at 72.3 in trade weighted terms and U.K. money market rates were steady.

YOUR DAILY Horoscope

from the Carroll Righter Institute

FORECAST FOR WEDNESDAY, JULY 1, 1987

GENERAL TENDENCIES: You will find new ways to handle matters of importance to you. Patience and cleverness will be necessary to cope with delays and sudden pressures.

ARIES (Mar. 21 to Apr. 19) Although difficult, persevere and handle private affairs. Put off favors for your mate to avoid difficulties.

TAURUS (Apr. 20 to May 20) Allow time for delays in obtaining your wishes. Don't bring up moot points with friends, try to harmonize.

GEMINI (May 21 to June 21) Handle your public duties conscientiously. To show your superiors you have tact, talk less and listen more.

MOON CHILDREN (June 22 to Jul. 21) Mail over new plans before getting involved. Get facts on a newcomer before making any judgments.

LEO (Jul. 22 to Aug. 21) Easy-looking problems have strings attached, so be careful. Be honest in answering questions from your mate.

VIRGO (Aug. 22 to Sept. 22) Keep a chat with your partner impersonal to reach an accord. If your reputation is at stake, stay uninvolved.

LIBRA (Sept. 23 to Oct. 22) Handle routine tasks more efficiently. Act amused at a co-worker's mood swings, then you'll get along well.

SCORPIO (Oct. 23 to Nov. 21) Put your creative ideas to work, allowing for delays. Show patience with your mate's moods and drive carefully.

SAGITTARIUS (Nov. 22 to Dec. 21) The weather will effect home affairs; pleasant one moment, bad the next. Have only cheerful guests into your home.

CAPRICORN (Dec. 22 to Jan. 20) The morning will start smoothly, but be careful handling later situations. Visit friends, but drive carefully.

AQUARIUS (Jan. 21 to Feb. 19) Money matters take priority today, so use common sense. Advice from a scheming elder could cause trouble.

PISCES (Feb. 20 to Mar. 20) Handle personal goals, and don't feel others are against you. Friends may be sullen over private matters.

IF YOUR CHILD IS BORN TODAY ... he or she will be artistic and sensitive. Teach your child to be objective and to accept criticism. With this ability, your son or daughter will excel in any job requiring precision and perception. Discipline should not be harsh, and good food is very important.

GATT chief commends trade talks

GENEVA (R) — Despite confrontation and bitter bilateral disputes, lengthy negotiations among 94 countries to reduce trade barriers are on target, the director general of the General Agreement on Tariffs and Trade (GATT) said Tuesday.

"The process is less and less theoretical or academic, but a very concrete confrontation ... it is a necessary stage in the process which will then lead to solutions," Mr. Arthur Dunkel told a news briefing in Geneva, where GATT has its headquarters.

The new Uruguay round of GATT talks was launched at ministerial level in Punta Del Este last September and is due to last four years.

Mr. Dunkel expected the ministers to reconvene by the end of next year to review progress in the round, which is aimed at reducing trade barriers in 14 areas comprising manufactured and agricultural goods and service industries such as banking and tourism.

He conceded the politically-charged issue of reducing agricultural subsidies had yet to be fully tackled.

The subject has led to heated confrontations between the United States and the European Community (EC) and the U.S. and Japan in recent years.

Mr. Dunkel said he expected major presentations on agriculture soon.

Mr. James Truran, a U.S. trade official here responsible for agriculture, told Reuters Tuesday his delegation would make agricultural proposals in a GATT meeting set for July 6-7.

"The proposal is basically prepared and ready for tabling," Mr. Truran said. "We feel it will be a bold proposal, but I can't discuss it."

Mr. Dunkel, asked when he expected a formal agricultural paper from the European Community, said: "They are working on it in Brussels. But you are asking me too much to say when it will be on the negotiating table."

The 12-nation Community has been accused privately by other GATT members of stalling the talks until after the French presidential election next year because of its possible effect on farmers' votes there.

An EC trade official here, who asked not to be named, told Reuters: "We're certainly not putting forth a proposal next week ... we have no definite timetable, but it is fairly certain we will be tabling it by the end of the year."

Mr. Dunkel welcomed a commitment by the leaders from seven industrial nations who met earlier this month in Venice to make firm proposals to cut their agricultural subsidies.

"Who would have said a few years ago that heads of state would spend so much time discussing agricultural policy?" Mr. Dunkel commented. "Not only discussing it, but saying the problem must be handled in the Uruguay round."

He also said that GATT economists were maintaining their earlier forecast of 2.5 per cent growth in trade this year — a full percentage point down on 1986.

"So that is one more reason for governments to make efforts to reestablish the necessary confidence in the future of the world economy, and to bring (trade) operators to take more risks and reactivate the world economy and trade," he added.

Yugoslavia said facing debt crisis

BELGRADE (R) — Yugoslavia has told its foreign creditors it cannot repay between \$200 and \$300 million of debt now due and wants to discuss a delay, Western diplomats said Tuesday.

Official confirmation of this could not immediately be obtained.

Western embassy economists said Yugoslavia had informed the Manufacturers Hanover Trust, the U.S. bank which coordinates its commercial bank creditors, that it wants to discuss ways to delay the repayments.

The nation is in the throes of economic crisis. Exports have faltered and inflation soared. Total foreign debt is around \$20 billion, more than 70 per cent owed to banks.

The diplomats were unable to give details on the credits involved in the repayment problem which surfaced Tuesday and a government spokeswoman declined further information.

Diplomats said Yugoslav authorities had also declined officially to confirm the report to Western embassies.

The telex did not specify the date of the meeting. The spokes-

man also said no further details were available in London.

A Western embassy economist in Belgrade said that, if there was a long-term problem on debt repayment, "it would be a pity because it would be the first time Yugoslavia has failed to make payments since the present debt crisis became apparent in 1983."

The community nation last year ended a "standby credit" arrangement with the International Monetary Fund (IMF) under which the IMF supervised the economy. It was replaced with IMF "enhanced monitoring," under which IMF teams review the economy twice a year.

Inspectors were here last week and Western diplomats said they were far from pleased.

Despite some successes this year in hard currency exports, Yugoslav trade was generally deteriorating and inflation was close to 100 per cent. Western businessmen say many firms are a year behind in paying their bills for imports.

France, W. Germany clinch farm deal

BRUSSELS (R) — France and West Germany on Tuesday clinched a deal on European Community (EC) agriculture, clearing the way for EC leaders to smooth over deep differences at the end of their two-day summit, a French spokesman said.

As heads of government argued over a draft statement on the financial future of the 12-nation bloc, officials from the EC's two economic giants struck an accord on the roof of its immediate cash crisis — this year's farm spending.

Mr. Denis Baudouin, spokesman for French Prime Minister Jacques Chirac, told reporters: "We have an agreement."

The accord followed hard bargaining all through Monday night and Tuesday morning, including a one-hour breakfast meeting between French President Francois Mitterrand and West German Chancellor Helmut Kohl.

It now goes to a specially-

in farm spending and bring the group's bloated budget under control in future years.

Some said final decisions would have to wait until the next EC summit in Copenhagen in December and perhaps until the one after, in Bonn next June.

As the leaders worked painstakingly through a draft statement presented by Belgium, the EC's current president, poorer Community states pressed for a specific commitment to double spending on deprived regions.

But British Prime Minister Margaret Thatcher was still insisting that there could be no more money for Community programs until agricultural subsidies which swallow up 70 per cent of its budget were brought under control.

Kuwait's new budget projects record deficit

KUWAIT (AP) — Oil-rich Kuwait announced Monday a record \$4.8 billion state budget deficit for the coming fiscal year caused by economic recession.

Oil exports accounts for 87 per cent of the state revenues. Sheikh Al Khorafi said oil revenues for the coming fiscal year were estimated at 1,726 million dinars (\$6 billion), compared to 1,656 million dinars (\$5.8 billion) in 1986.

The increase resulted from the increase in oil prices from about \$10 to \$18 a barrel last December by the 13-nation Organisation of Petroleum Exporting Countries.

The analysts pointed out that the projected oil revenues could be upgraded if budget planners took into account the fact that under the latest OPEC agreement, reached in Vienna on Saturday, the aggregate output ceiling has been raised to 16.6 million barrels a day. Kuwait's quota was raised from 948,000 barrels to 996,000 barrels.

A major increase under the new budget was the outlay for construction projects which was increased by 20 million dinars (\$70 million) to 650 million dinars (\$2.2 billion).

The government made no fresh allocations to the Kuwait Fund for Arab Economic Development, the country's foreign lending agency.

Finance Minister Jassem Al Khorafi said in a statement the country's revenues for the coming year that begins July 1 were projected at 1,779 million dinars (\$6.9 billion). Government spending was placed at 3,158 million dinars (\$11 billion).

It would be the fifth consecutive year in which Kuwait has failed to balance expenditure and revenues because of the economic recession attributed to the 1982 local stock market crash, spillovers of the nearly 7-year-old Iraq-Iran war and a drop in oil prices.

The budget figures were approved Sunday by the cabinet and passed to the emiri court for ratification.

The deficit for the coming year was put at 1,377 million dinars (\$4.8 billion). This includes 197 million dinars (\$690 million), or 10 per cent of the total revenues, which the government annually adds to the posterity fund, established in 1976 as a ledge for future generations in the post-oil era.

Excluding the allocation to the posterity fund, the actual deficit in the new budget drops to 1,179 million dinars (\$4.1 billion).

The new deficit figure is 46 million dinars (\$161 million) more than the deficit for the present fiscal year, Sheikh Al Khorafi said.

Deficit figures announced by the government are considered by financial analysts as a book-keeping convenience. These figures do not include revenue from about \$85 billion Kuwait surplus petrodollars invested abroad.

If the figure is added to the income estimates, the budget would balance out, the analysts pointed out.

The government usually does not include in budget figures revenues from foreign investments, which in 1985 were about 1,200 million dinars (\$4.2 billion).

Expenditure for current fiscal year had been projected at 3,052 million dinars (\$10.7 billion).

The government said Tuesday that the yen's sharp rise pushed employment in manufacturing industries down 1.5 per cent last month from a year earlier.

The yen's 40 per cent rise against the dollar over the last 2 1/2 years has hit Japanese companies hard, forcing them to lose profits and sales in the lucrative American market, economists said.

In a desperate move to maintain their competitiveness, Japanese companies have been slashing costs and restructuring their businesses.

Some workers have been forced to take early retirement, while others have been moved into new businesses they are not suited for.

Mr. David Pike, economist at broker UBS-Phillips and Drew, forecast that unemployment would rise to 3.6 per cent by the end of 1988.

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Unemployment surges in Japan

TOKYO (R) — Japanese unemployment soared to record levels in May and economists said Tuesday the country may have to live with a high jobless rate for some years.

The government's Management and Coordination Agency said unemployment climbed to 3.2 per cent in May, as the strong yen forced the country's powerful exporters to lay off workers and restructure their businesses.

The May rate was the highest since the agency started compiling statistics in 1953 and was well above April's three percent, the previous record.

Economists said the best that could be expected was for unemployment to remain around three per cent for the remainder of this year.

Although some expect unemployment to turn down after that as the economy recovers, they all agree that the jobless rate will remain relatively high for years to come as the country struggles to restructure its export-driven economy.

"In the long-term, manufacturing industries will have to curtail their workforces," said Mr. Takashi Kiuchi, senior economist at the Long-term Credit Bank of Japan.

The rest of the world has made clear that it can no longer tolerate large trade surpluses. As a result, Japanese manufacturers who have depended on exports for profits will have to adjust, economists said.

That will translate into higher unemployment, even though some of the workforce may move into the high-growth services sector, such as banking, Mr. Kiuchi said.

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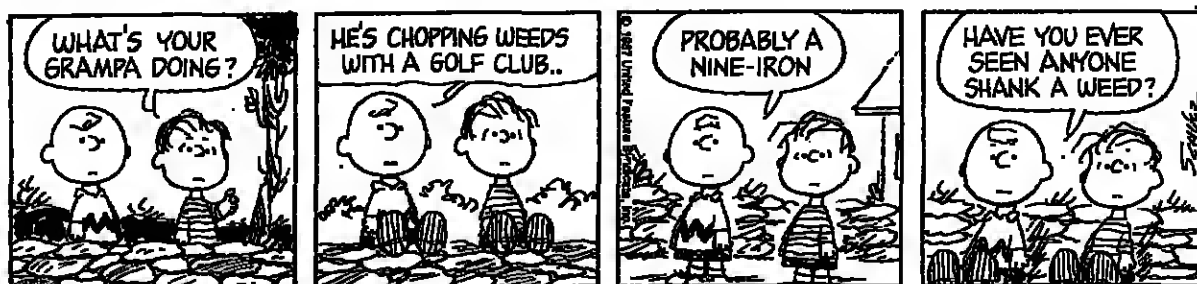
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Peanuts



Mutt'n' Jeff

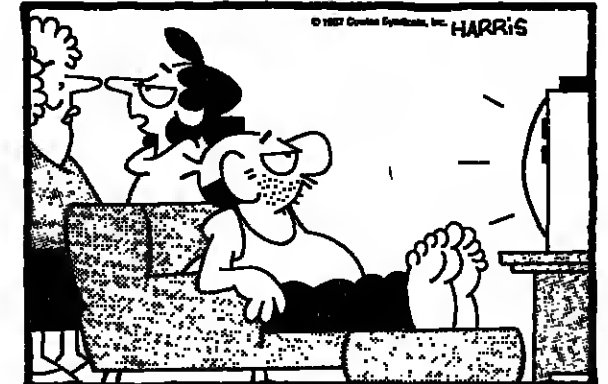


Andy Capp



THE BETTER HALF

By Harris



JUMBLE

THAT SCRAMBLED WORD GAME by Henri Arnold and Bob Lee

Unscramble these four Jumbles, one letter to each square, to form four ordinary words.

HYPON
RACCK
LUNKE
RAWSUL



Now arrange the circled letters to form the surprise answer, as suggested by the above cartoon.

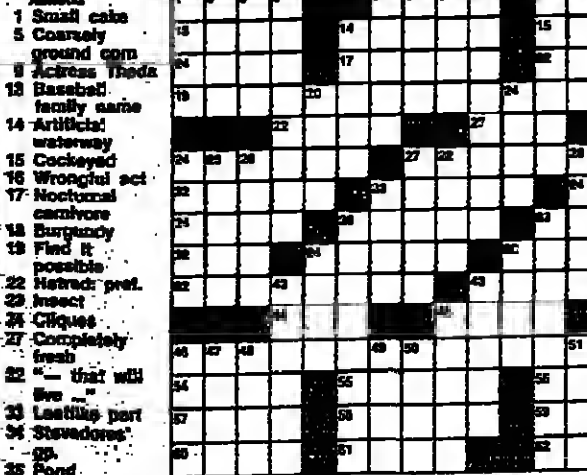
Print answer here: A

Yesterday's Jumble: EXUDE BULLY SCENE JARGON

Answer: It takes good manners to put up with this—BAD ONES

THE Daily Crossword

by Evelyn Beneshoff



Chun set to accept democratic reforms; Kim urges vigilance

SEOUL (Agencies) — President Chun Doo Hwan gives a crucial television address Wednesday with all the signs he will accept his party's call for radical democratic reforms, but top dissident Kim Dae-jung sounded a note of caution by saying South Koreans must stay vigilant.

Mr. Kim, the president's most prominent critic, told officials of an opposition coalition group Tuesday he hoped a neutral cabinet with figures from both ruling and opposition camps would be formed to oversee elections and democratic reforms until Mr. Chun steps down next February.

"It is fortunate that the ruling party has come up with democratic proposals which meet the people's wishes. But the public should not loosen their vigilance over the current government before full democracy is achieved," the 63-year-old former presidential candidate said.

"I believe a neutral cabinet, if it is set up, will ensure the holding of free and fair elections and the smooth transition of power," he said.

A presidential spokesman said Mr. Chun Tuesday met Roh Tae-woo, chairman of the ruling Democratic Justice Party (DJP), who Monday announced a wide-

ranging blue print for democracy including direct elections for a new president.

Mr. Roh, the man chosen by Mr. Chun to succeed him when the president steps down, has said he will resign his party post and the presidential candidacy if Mr. Chun rejects his proposals.

Mr. Chun conferred behind closed doors at the presidential mansion for 70 minutes with Mr. Roh.

Mr. Roh said after the Tuesday meeting that Mr. Chun had responded "affirmatively."

Mr. Roh said Mr. Chun "accepted in principle" all of the demands.

"Since basic agreement has been reached on the form of government structure, talks on other matters will proceed smoothly," Mr. Roh told reporters.

Mr. Chun is due to make a televised speech Wednesday morning from the presidential

palace. The spokesman said he was expected to accept Mr. Roh's proposals, which had a bombshell effect on both dissident and establishment leaders by embracing virtually all the opposition's demands.

"You should recall the fact that President Chun has already delegated rights and responsibility to Chairman Roh Tae-woo for dealing with political affairs," the spokesman added.

Under the terms of Mr. Roh's package, Mr. Chun would grant an amnesty and restore civil rights to Mr. Kim who has been banned from politics since 1980 because of a suspended sentence for sedition.

If it becomes a reality, the amnesty would in theory free Mr. Kim to run for president and could put him in direct competition with his opposition political twin Kim Young-Sam.

But Mr. Kim Dae-jung Monday reaffirmed a pledge not to run for the presidency if Mr. Chun permits a direct presidential poll.

"My goal is to achieve the democratisation of this country and my wish is to cooperate with the people to that end. I am not interested in becoming presi-

dent," Mr. Kim was quoted by his aides as saying.

Among other major proposals by Mr. Roh, the package calls for the release of most political prisoners, a guarantee of human rights and press freedom.

With the streets of Seoul and other major cities quiet after almost three weeks of violent clashes between riot police and demonstrators, the country's 120,000 policemen were Tuesday taken off red alert.

A reshuffle of the DJP is expected later this week after key party members resigned Monday to give Mr. Roh a free hand in restructuring the party in preparation for a presidential poll expected later this year, party officials said.

Mr. Roh's announcement Monday sparked jubilation in South Korea and was praised by a top U.S. official as a breakthrough that could lead to total democracy.

Assistant Secretary of State Gaston Sigur, who visited South Korea last week at the height of anti-government protests in Seoul and other major cities, said in a television interview he would be surprised if Mr. Chun did not accept the proposals of his own party.

Moscow parliament adopts economic law

MOSCOW (R) — The Soviet parliament voted Tuesday to loosen central control of the economy in a law that Soviet experts have billed as one of the country's most important acts of economic legislation since the 1920s.

The Supreme Soviet passed the law unanimously on the second day of a brief summer session in Moscow. Its adoption was made certain last week when the Communist Party's policy-making Central Committee approved a draft version.

The law, which will come into effect next January, foresees a reduction in the powers of Moscow-based economic ministries over industrial enterprises and seeks to make factory managers more profit-conscious and responsive to market trends.

At the same time the law aims to enhance the role of the State Planning Committee Gosplan in charting the country's long-term economic course and envisages only a limited degree of competition between enterprises for state contracts.

The law is central to Soviet leader Mikhail Gorbachev's efforts to revive the economy. Official accounts of the Central Committee's meeting made clear its more ambitious elements were opposed by bureaucrats with a vested interest in centralisation. Reform-minded economists have compared the scope of the law to the far-reaching changes

which state founder Vladimir Lenin introduced in his New Economic Policy (NEP) in 1921.

Reversing the rigidly centralised "war communism" policies with which he built Bolshevik power after the 1917 revolution, Lenin encouraged private trade to flourish and allowed the re-emergence of small-scale private manufacturing.

Lenin's successor, Josef Stalin, reintroduced state control over all aspects of the economy in his industrialisation and collectivisation drive of the late 1920s and 1930s, and his system has remained unchanged in its essentials to this day.

President Andrei Gromyko, reviewing past Kremlin policies, told the Supreme Soviet: "There were deformities in socialism in the past... It is command and administrative methods of running our society that impeded our movement forward."

Prime Minister Nikolai Ryzhkov, in a major speech to the legislature Monday, said: "The methods of the past system of economic management have become obsolete. The need for change is evident and urgent."

Mr. Ryzhkov said 13 per cent of factories made a loss last year. Factory closures on that scale would send millions of workers in search of jobs and retraining schemes, and Western economists say the system at present could not meet the demand.

Gore offers integrity, youthful vigour in quest for Democratic nomination

MANCHESTER, N.H. (R) — Tennessee Senator Albert Gore, the latest entrant in a crowded field for the 1988 Democratic presidential nomination, says he could be America's youthful answer to the verve and vigour of Soviet leader Mikhail Gorbachev.

Opening his long-shot nomination bid Monday, the 39-year-old southerner also declared that he would restore the rule of law to a White House plagued by the Iran arms scandal.

Sen. Gore rejected suggestions he is too young to be president and called voters' attention to Mr. Gorbachev's example.

"For the first time in at least a generation, the Soviet Union has a leader who combines youthful energy and innovation with experience," he said.

Sen. Gore would be the youngest U.S. president ever — only 40 — if he won the 1988 election. Theodore Roosevelt was 42 when he succeeded the assassinated William McKinley in 1901, while John Kennedy was the youngest president elected in his own right, at 43.

Sen. Gore became the sixth official Democratic entrant in the race to succeed Republican President Reagan, 76, who is the oldest president in U.S. history

and is barred by law from seeking a third term.

The senator, who hopes to capitalise on his standing as a southerner in a race where the south will play a key role, opened his campaign before a hometown Tennessee crowd and then moved on to New Hampshire, traditional site of the first primary balloting in each presidential election year.

In his declaration speech to a jubilant crowd at the Smith County Courthouse in Carthage, Tenn., Sen. Gore vowed he would sack any U.S. official "who steals from the American people or lies to the Congress."

'Secure annex could salvage' U.S. embassy in Moscow

WASHINGTON (R) — The new U.S. embassy in Moscow, said to be riddled with electronic listening devices planted by Soviet agents, could be salvaged by rebuilding the top floors and adding a secure annex for sensitive operations, Former Defence Secretary James Schlesinger has said.

"The Soviet secret services have extensively permeated our Moscow chancery with a full array of intelligence devices for which we do not understand either the technology or the underlying strategy," Mr. Schlesinger told a hearing of the Senate Budget Committee.

Mr. Schlesinger visited Moscow earlier this month at the request of Secretary of State George Shultz and prepared a report and recommendations which he submitted last week.

He said his report recommended the construction of a new annex in the embassy compound, built with American materials and workers, to handle the most sensitive work of the mission.

It also recommended that the top three floors of the eight-storey building should be rebuilt to eliminate bugs and provide a secure area. The lower five levels could be used for non-sensitive operations, it said.

"The solution to our problems will be neither easy nor cheap," he said. Mr. Schlesinger estimated the cost of his recommended changes at \$43 million.

Mr. Schlesinger outlined some of his recommendations at a Moscow news conference earlier this month but his subsequent report was not made public.

Arsonists kill 2 in W. Germany

DETMOULD, West Germany (AP) — Arsonists set fire to a home housing mostly Tamil refugees early Tuesday, killing two people and injuring 10 others, police said.

Police said the blaze broke out about 1.40 a.m. (0400 GMT) in a home housing about 30 refugees, mostly Tamils from Sri Lanka. Detmold is 80 kilometres south west of Hanover.

The fire was started by arsonists, who apparently ignited flammable liquid at several locations at the building, police said.

Two people burned to death and 10 others were taken to a local hospital suffering from light injuries, a police statement said.

Police said they were investigating the case and could not give any more details immediately. The two bodies have not been identified yet, they said.

Experts probe demolition exercise accident

Meanwhile American military experts flown in from the United States combed the site of a demolition exercise accident on Monday to determine the cause of a blast that killed three U.S. soldiers and injured 12 others, officials said.

Two investigators from the U.S. Army Safety Centre at Fort Rucker, Ala., arrived in West Germany early Monday and went immediately to the training site at Hohenfels, 60 kilometres south east of Nuremberg, where the accident occurred Sunday, according to military officials.

They were joined by a medical doctor and an explosives expert from the U.S. Army's 5th Corps and an explosives expert from the Army Materiel Command at Picatinny Arsenal, N.J., according to a statement released by the 5th Corps in Frankfurt.

5th Corps spokesmen earlier said additional experts had been flown in from the army's safety centre.

The latest army statement identified the three soldiers killed in the accident as Sgt. Joseph M. Renaldi, 25, of Springfield, Pa., Spec. 4 Keith Lavoie, 21, of Burton, Mich., and Staff Sgt. Joseph L. Dewease, 27, of Kewesville, Md.

Some of the 12 soldiers hospitalised after the accident remained in "critical but stable" condition, said Ms. Renate Stieber, a spokeswoman for the 58th Combat Engineer Company in Fulda, which was involved in the exercise.

Hawke, Howard told to face economic realities

SYDNEY (R) — Leading businessmen Tuesday warned the ruling Labour Party and the conservative opposition against using the current election campaign to lull Australians into a false sense of economic security.

The Business Council of Australia (BCA) described as "naïve and dangerous" Prime Minister Bob Hawke's suggestions that the worst of the country's trade problems were over.

The statement from the BCA, which represents about 75 of the country's largest companies, also criticised opposition leader John Howard's proposed tax and spending cuts as inadequate to restore the country's economic health.

Treasurer Paul Keating dismissed the BCA warning and said Labour's re-election at the July 11 polls would ensure continued economic recovery and provide a fillip to investors' confidence.

The BCA expressed deep concern that "major economic problems facing Australia and the policy changes required to fix them are not being adequately exposed in the election campaign."

An overwhelming majority of voters who took part in the new poll said Mr. Hawke would make a better prime minister than Mr. Howard.

The survey also showed that Labour was regarded as the best party to handle key areas of the economy — taxation, industrial relations and welfare and social issues.

Panama's assembly lifts state of emergency

LONDON (R) — Panama's legislative assembly Tuesday lifted a 19-day-old state of emergency imposed to quell violent anti-government protests, Panama City Radio said.

The radio, monitored by the British Broadcasting Corporation, said the assembly had passed the resolution because the danger of an overthrow of the government had "decreased considerably."

The government declared the state of emergency on June 10 after thousands of Panamanians took to the streets demanding the ousting of military strongman General Manuel Antonio

Noriega, the country's de facto ruler.

The radio quoted Tuesday resolution as saying that the emergency could be lifted "... because the intellectual authors of the conspiracy to overthrow the national government have travelled to the U.S., where they have asked for the U.S. government's intervention in the domestic affairs of the Republic of Panama, openly betraying the most sacred interests of the homeland."

Foreign Minister Jorge Abadía Arias summoned U.S. Ambassador Davis Monday for consultation over what he termed the U.S. Senate's "intolerant and offensive meddling" in Panama's internal affairs.

Mr. Abadía also said Panama would lodge a formal protest with Washington and would call for resolutions in the United Nations and the Organisation of American States condemning the Senate for intruding in Panama's affairs.

In a resolution passed by an 84-2 vote Friday that urged Panama to restore democracy, the Senate called for the ousting of Gen. Noriega.

Canada votes against death penalty

OTTAWA (R) — The House of Commons voted early Tuesday against reinstatement of capital punishment in Canada by a decisive margin of 148 to 127, upholding a decision first made 11 years ago.

The result, which puts to rest an emotional debate, fulfils a 1984 election campaign promise by Prime Minister Brian Mulroney, a staunch abolitionist, to allow a vote by members of parliament free of party constraints.

The result was a clear victory for those who oppose the death penalty. Those in favour had predicted they would easily reverse the 1976 Commons vote that abolished capital punishment by a six-vote margin after 98 hours of debate.

Only three of the 278 voting

members of parliament were absent from Tuesday's vote, held after the Progressive Conservative government Monday used its massive parliamentary majority to shut down further debate and force a resolution of the issue before parliament adjourned for the summer.

The government argued that most MPs had made up their minds on the issue and that there had been sufficient debate in the media and the public to justify resolution of the matter.

Even if the motion to restore the death penalty had been approved, there was no certainty that state executions would have been enforced, at least for a year or more.

The government's proposed lengthy legislative process could have tied up the matter for months, probably until after the next general election.

Mr. Mulroney delivered an impassioned speech last week that supporters say helped to swing undecided MPs into his camp.

All but one of the 70 opposition MPs supported abolition and the 208-member Conservative caucus represented the major source of the pro-death penalty sentiment.

The most recent public opinion poll showed a majority of Canadians favoured restoring the death penalty but were not strongly committed to the idea. About 61 per cent of respondents said they supported or leaned towards restoration of capital punishment.

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Van Gogh painting sold for \$20.24m

LONDON (R) — Paintings by Vincent Van Gogh command first and second place as the world's most expensive paintings in recent auctions after an anonymous buyer paid £12.65 million (\$20.24 million) for a picture by the Dutch-born impressionist, "Le Pont de Triquetville," painted by Van Gogh in 1888 while living in the southern French town of Arles, was sold within two minutes to a European buyer bidding by telephone to a packed London auction room. Christie's Chairman Charles Allsopp, who conducted the sale, said he was thrilled with the result, which came just three months after Van Gogh's "Sunflowers" went for £24.7 million (\$40 million) to a Japanese insurance company, making it the most expensive painting ever sold at a public auction. Van Gogh sold only one canvas in his lifetime.

Israelis deport American 'messiah'

TEL AVIV (AP) — Airport officials deported an American black who declared he was the messiah because they thought he belonged to the Black Hebrew sect, an airport police spokesman said Monday. The man, dressed in white flowing robes and carrying a bronze staff, arrived in Israel on Saturday night, the spokesman said. He bore a passport in the name of Marvin Sylvester but said he was the messiah, son of David. Airport authorities deported him the following day on the same Trans World Airline passenger plane that brought him to Israel but only announced the incident on Monday. Police said they found prayer books and other religious paraphernalia in his baggage which led them to suspect he might be a member of the Black Hebrews. About 1,500 members of the U.S.-originated cult live in Israel, most of them in Dimona, a small town 120 kilometres south of Jerusalem.

AIDS carrier charged for selling blood

LOS ANGELES (AP) — An alleged male prostitute who sold his AIDS-contaminated blood to a plasma centre was charged with attempted murder, authorities said. District Attorney Ira Reiner said he would ask that Joseph Edward Markowski be held without bail following arraignment on charges including attempted murder, assault and attempted poisoning. Markowski, 29, admitted he sold blood knowing he might be spreading acquired immune deficiency syndrome (AIDS) through the blood supply, Reiner said. He quoted Markowski as telling authorities: "I know that AIDS can kill. But I was so hard up for money I didn't give a damn."

Rust complains about prison food

HAMBURG, West Germany (AP) — Mathias Rust, the young West German pilot who landed on Red Square, has complained about the food he is served in a Moscow prison, the mass-circulation Bild newspaper has said. Bild said Rust met with a representative of the West German embassy in Moscow on Monday, and asked him to intervene with Soviet officials. "He (Rust) asked the leader of the embassy's legal affairs division whether he could arrange improved nourishment," Bild said. Bild said Rust has met twice with representatives of Moscow's West German embassy since he was imprisoned on May 28.

China executes 2 for robbing tourists

HONG KONG (R) — Two men were executed in South China after they were convicted of robbing foreign tourists, a Hong Kong newspaper has said. The pro-Peking Ta Kung Pao said in a report from Shenzhen, near Hong Kong, that Zhou Wenjun and Zhou Yanyang were executed immediately after a conviction at a mass rally. Execution is usually carried out in China by a single shot through the neck. Three accomplices were sentenced to between 10 to 15 years in jail for robbing Hong Kong tourists visiting relatives in China, the daily said. It quoted officials as saying the men posed as drivers at the Shenzhen Railway Station to lure tourists into their car and then rob them.

U.S. serial killings grow to 37

SEATTLE, WA. (R) — The discovery of human bones in a wooded area south of here has pushed the total number of women slain by the so-called "Green River Killer" to 37, authorities have said. Vaughan Van Zant, a spokesman for the King County Medical Examiner's office, said the remains were found over the weekend about 48 kilometres south of Seattle. He said the latest identified victim was Cindy Ann Smith of Seattle, who was 17 when she was last seen hitchhiking on March 21, 1984. Smith's name was on a list of 10 missing women believed to be victims of a single slayer.

Crocodiles claim ninth victim in Australia

BRISBANE (R) — The grisly discovery of three leg bones and some clothing on a deserted beach in northern Australia has convinced police that crocodiles have claimed their ninth victim in 17 months. Police said they will search an area on the tip of Cape York peninsula in Queensland for more remains of Cronwell Mooka, a local fisherman who went missing four days ago. Mooka was last seen on Friday as he set off for a walk near the aboriginal settlement of Bamaga through an area infested with crocodiles. Searchers found a tibia, fibula and femur plus clothing identified as belonging to Mooka, 37.

Dial-a-condom starts 24-hour service

HAMBURG, West Germany (R) — Need a condom but no shy to ask a shop assistant? Hamburg residents can ring dial-a-condom 24 hours a day and have them delivered by a condom-on-wheels service direct to their door anywhere in the city in less than half an hour. The cost of avoiding embarrassment is 12 marks (\$6) for a packet of three, about six times the over-the-counter price.

U.S. divorce rate 'is 1 in 8'

NEW YORK (AP) — The widely circulated idea that about one out of two American marriages will end in divorce is wrong by a wide margin, and actually the American family is surviving, according to a Harris Poll released Sunday. The concept that half of American marriages are doomed is "one of the most spurious pieces of statistical nonsense ever perpetrated in modern times," pollster Louis Harris asserted. Harris said government figures and his survey show that only one out of eight marriages will end in divorce. And in any single year, he said, only about 2 per cent of existing marriages will break up. A census bureau statistician agreed with Harris that the 50 per cent figure for marriage breakups has been presented misleadingly by omitting important qualifications. "One critical element left out of the equation," Harris said, was that while 22 million marriages and 1.2 million divorces may occur during a year, "a much, much bigger 34 million other marriages just keep flowing along." Harris said the misperception followed the 1981 report of the U.S. National Centre for Health Statistics that there had been 2.4 million new marriages and 1.2 million divorces during the year.

Gays parade in U.S. cities

NEW YORK (AP) — Hundreds of thousands of spectators watched as marchers, bands and floats paraded in cities around the country Sunday for gay pride festivities shadowed by solemnity because of the deadly disease AIDS. "This is not as much a carnival as it once was," said Joe Sieber, 41, at the San Francisco homosexual community's 18th parade attracted some 100,000 people. Up to 250,000 spectators were expected at West Hollywood, California, with more than 100,000 in New York and an estimated 60,000 in Chicago. Organisers expected about 10,000 people for Seattle's second such parade.

GOREN BRIDGE

BY CHARLES GOREN
AND OMAR SHARIF
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ANSWERS TO WEEKLY BRIDGE QUIZ

Q.1—As South, vulnerable, you hold:
♠K1084 ♣Q85 ♦K54 ♣652
The bidding has proceeded:
North East South West
1 ♠ Pass 1 ♠ Pass
2 ♠ Pass ?
What action do you take?
A.—In the modern style, the way to show a dead minimum after partner's reverse is to bid two no trump. However, with an honor card in each of partner's suits you should not consider your hand to be that bad. Take your normal preference to three diamonds and see how the auction continues.

Q.2—Both vulnerable, as South you hold:
♠AK103 ♣Q854 ♦63 ♣972
The bidding has proceeded:
North East South West
1 ♠ 2 ♠ ?
What action do you take?
A.—If you and your partner play negative doubles, this is the perfect hand for such action. If you do not, you have no option but to pass. A bid of either major would be forcing, and with a potential misfit you do not have the values to make partner bid at the three-level.

Q.3—Neither vulnerable, as South you hold:
♠K972 ♣7 ♦95 ♠K10754
The bidding has proceeded:
North East South West
1 ♠ Pass 1 ♠ Pass
1 NT Pass ?
What action do you take?
A.—After partner's no trump rebid, a new suit by you is not forcing. Since your unbalanced hand will almost certainly play better at a suit contract than at no trump, there is no reason why you should not bid two clubs to give partner a

choice.
Q.4—Both vulnerable, as South you hold:
♠Q642 ♣J5 ♦98 ♠K10653
The bidding has proceeded:
West North East South
1 ♠ Double Pass ?
What do you bid now?
A.—In responding to partner's takeout double, it is sound policy to bid a four-card major before a five-card minor. This is especially true on weak hands that are worth only one bid. Bid one spade.

Q.5—Both vulnerable, as South you hold:
♠952 ♣AJ ♠K10765 ♠KJ3
The bidding has proceeded:
North East South West
1 ♠ 3 ♠ ?
What action do you take?
A.—First, don't ever dream of doubling when you have such a good fit for your partner's suit. Next, beware of an 11-trick contract when there is a possibility that suits will break badly. We would chance three no trump. Considering our holding, there is every possibility that partner has values in spades.

Q.6—As South, vulnerable, you hold:
♠852 ♣K10952 ♦AJ10 ♣72
The bidding has proceeded:
North East South West
1 ♠ Pass 1 ♠ Pass
2 ♠ Pass ?
What action do you take?
A.—It is true that, in terms of point count, your side does not have the 26 usually necessary for a major-suit game. However, points don't tell the whole story. Your diamond fit improves your hand, and we would invite game by re-raising to three hearts.